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SUBCOMMITTEE ON U.S. SECURITY AGREEMENTS AND COMMITMENTS ABROAD

OF THE

COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE

May 8, 1972

NOTE.—Sections of this committee print have been deleted at the request of the Department of State, Department of Defense, and Central Intelligence Agency. Deleted material is indicated by the notation "[Deleted]."

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(II)

CONTENTS

PREFACE

The following report was presented to the Subcommittee on United States Security Agreements and Commitments Abroad in Executive Session on March 1. At that meeting, the Subcommittee decided to transmit the report to the Chairman of the Committee on Foreign Relations under cover of a letter from Senator Symington, Chairman of the Subcommittee. The letter, which follows, was released on March 1.

The Subcommittee also agreed that the Executive Branch should proceed to review the report, as the Chairman of the Subcommittee had requested, in order to suggest what deletions should be made for security reasons. Under the supervision of a representative of the Department of State, representatives of that Department, the Department of Defense, the Agency for International Development and the Central Intelligence Agency began to review the report with the Subcommittee staff on March 1. Their review was concluded on May 3.

LETTER OF TRANSMITTAL

MARCH 1, 1972.

Hon. J. W. FULBRIGHT
Chairman,
Committee on Foreign Relations,
U.S. Senate.

DEAR MR. CHAIRMAN: Submitted herewith is a report by the Staff of the Subcommittee on United States Security Agreements and Commitments Abroad, entitled "Thailand, Laos and Cambodia—January 1972."

The report followed a visit to these three countries made by Messrs. James G. Lowenstein and Richard M. Moose. They were requested to bring up to date the information made available to the Subcommittee in the hearings held two years ago on Thailand and Laos, as well as the information provided in previous Staff reports on Cambodia in May and December 1970, and on Laos in April 1971.

As you will note, the report is classified secret; and we have requested the Executive Branch to review it for clearance so that as many of the facts as possible can be released to the public. The public has the right to be more fully informed about the present situation in Southeast Asia, a venture which each year is taking many billions of dollars of their taxes.

The Staff report would appear to be a well-balanced and objective statement of the facts and future prospects in Laos, Thailand and Cambodia.

The report demonstrates that, whereas the war may be winding down in Vietnam, it is increasing in intensity in both Laos and Cambodia. The military situation is currently worse in Laos than at any time since 1962, and worse than ever in Cambodia. This is true despite the vast expenditures, despite the United States and South Vietnamese incursions into Cambodia, and despite the South Vietnamese invasion of Laos in Lam Son 719.

With regard to Laos and Cambodia, we know of no other plans for the future than to continue to pursue the policies which thus far have served to intensify the destructive impact of the war, while failing to arrest the deteriorating military, political and economic situations in those two countries. As of now, we are offered nothing but the prospect of more of the same, at higher cost.

It is true that, as required by the Cooper-Church amendment, United States forces and advisers have been kept out of Cambodia. American participation in Cambodian military planning and logistical operations, however, is extensive; and the legislative prohibition against the financing of third country troops in Laos has been circumvented by the Executive Branch.

It is too soon to know whether the expenditure ceilings for Laos and Cambodia, as established by recent legislation, will be observed, even though these ceilings were set at the levels the Administration requested.

Past experience has demonstrated that there should be continuous oversight of any restrictions imposed. As example, on the basis of this and earlier reports we learned that, despite the legislative ban against United States support of third country forces in Laos, that ban is apparently being violated in letter as well as in spirit. Part of the problem arises because of the Executive Branch definition of "local forces." They contend that the Thai irregulars in Laos are actually "local forces." Facts in this Staff report, however, do not bear out that assertion.

As a base for continuing war, Thailand is becoming increasingly important. That country is now the place from which originate most of the tactical air sorties flown over Laos and North Vietnam.

Thailand is also becoming the principal base for other United States activities in the Southeast Asia region. We have not paid a direct price to the Thai for permitting us to use their country for such purposes, but we have paid a heavy indirect price in economic and military assistance.

In explaining to the Congress the need for such assistance, the Executive Branch has emphasized the importance of counter-insurgency, perhaps because it is felt that rationale is most likely to appeal to the Congress. Any justification for countinuing economic and military assistance to Thailand, however, should be put on a more candid basis.

Whether the rulers of Thailand will be willing to continue playing the role which our Executive Branch apparently has assigned them is a matter of some doubt. The Executive Branch continues to encourage Thai involvement in the Indochina war; at the same time it reassures the Thai Government that American military and financial commitments remain unchanged. Nevertheless the Thai would now seem to be questioning the wisdom of greater involvement.

Intelligence activities are not subject to any true Congressional oversight, despite the gigantic sums of money that are involved and the large number of American personnel who are engaged in such activities, at home and abroad. In Laos and Thailand, for example, there are far more American intelligence personnel than there are State Department personnel. This lack of adequate Congressional oversight is a problem the Congress must solve for itself. The heavy cost, coupled with our growing financial problems, would appear to be contributing to a solution.

It is a fact that not only the American people, but even the proper committees of the Congress, have not been given much detail of our use of Thai irregulars in Laos, including the various training arrangements paid for by the United States. This is true even though each year hundreds of millions of dollars of appropriated monies are involved.

There would also seem to be a progressive cutting off of Congressional access to Executive Branch documentation related to programs which the Congress funds. Without adequate access to such documentation, however, the Legislative Branch cannot effectively examine programs except through the somewhat limited mechanism of field investigation; and even that procedure is relatively ineffective where there is no such access.

Based on these conclusions, the following recommendations are submitted for consideration.

The Committee should continue to keep a close watch on the legislative expenditure ceilings applicable to Laos and Cambodia; and when considering the levels of those ceilings for next year, the Congress should examine the operations of the programs involved, along with their relationship to stated objectives. In particular, the economic assistance to Cambodia should be scrutinized.

The Committee should watch also the personnel ceiling in Cambodia as set in this year's legislation. In this connection, we recommend some clarification of Congressional intent with regard to "end-use checking." The brief reference to that subject in the existing law has been utilized by the Defense Department to justify the presence of many of the United States military personnel now located in Cambodia; and also as a reason for sending more personnel.

We recommend that the Committee consider legislation which would impose a ceiling on the number of American personnel in Thailand. As noted, Thailand would appear to be planned as the base for all United States operations in Southeast Asia; in fact, in the not too distant future, there may be about half as many American military personnel in Thailand as there are in Vietnam; and this even though the excuse for so many of our activities in Thailand is that said activities are needed to protect United States forces in Vietnam.

This number of Americans in Thailand not only represents a serious balance of payments drain, but also implies a commitment on our part to continue to provide that country with a certain level of economic and military assistance.

It has become increasingly difficult to ascertain just where in the Senate lies the responsibility for legislative oversight of intelligence activities. Based on its jurisdiction over the National Security Act, authority is lodged in the Senate Armed Services Committee; but actual control would seem now to be vested in the Appropriations Committee.

As example, oversight of the Central Intelligence Agency is considered the responsibility of the CIA Oversight Subcommittee of the Armed Services Committee (on this Committee, by invitation, sit members of the Foreign Relations Committee) but this Committee did not meet once during the year 1971; and has not met so far this year.

Other intelligence activities, those carried on by the National Security Agency, the Defense Intelligence Agency and the Services themselves—activities which spend billions of dollars more annually than does the Central Intelligence Agency—are not included within the purview of the CIA Subcommittee; and since these latter agencies are not reviewed by the Armed Services Committee, their supervision and funding is actually under the direction and control of the Senate Appropriations Committee.

By Presidential directive, all United States activities in all foreign countries have been placed under the authority of the Ambassadors. Those Ambassadors in turn are under the jurisdiction of the Foreign Relations Committee; and in order to obtain a reporting of those activities which are within the scope of the Ambassador's authority, the Committee should now invoke the provision to that end included in this year's Foreign Aid Act, Section 407.

Sincerely,

STUART SYMINGTON,
Chairman, Subcommittee on United States Security Agreements and Commitments Abroad.

I. The General Situation

At the time of our three week visit to Southeast Asia, which began in Bangkok on January 11, the military situation in Laos was more critical than at any time since 1962. The important installation at Long Tieng, headquarters and base of operations for General Vang Pao's Lao and Thai irregular forces in Military Region Two, was under heavy attack by the North Vietnamese following their swift recapture of the Plain of Jars in mid-December. News of the battle for the ridge dominating Long Tieng was featured daily on the front pages of Bangkok's English language newspapers, and the press was predicting the imminent fall of the base.

Nevertheless, although there were occasional references in the Thai English language newspapers to Thai "volunteers" and "mercenaries" in Laos, the Thai generally seemed unaware or unconcerned that the Thai irregular units, trained and to a great extent organized by the CIA, had been badly mauled during the December fighting in the Plain of Jars and were still heavily engaged at Long Tieng, or that perhaps as many as [deleted] of the Thai irregulars fighting in Laos had been killed, captured or were otherwise missing.

In northern Laos, in addition to the North Vietnamese seige of Long Tieng, Pathet Lao and dissident neutralist forces were threatening to take the town of Sala Phou Khoun (which fell soon thereafter) west of the Plain of Jars and thus to cut Route 13 between Luang Prabang and Vientiane. And for the first time in many years, the North Vietnamese and Pathet Lao were initiating small unit engagements in Vientiane province. Further to the west, in the Lao province of Sayaboury, there remained only scattered points under Lao control and a few others held by Thai irregular units. South of Vientiane, in the panhandle area, the North Vietnamese had moved along Route 9 to within 20 miles of Savannakhet, on the Mekong River border with Thailand. South of Savannakhet, the westward movement of North Vietnamese forces had long since driven the last Lao and Thai irregular units from the Bolovens Plateau. As a result, the expanded Ho Chi Minh trial system, including new trails west of Tchepone, was more secure and communist forces were within 10 miles of Pakse.

These military developments in Laos, we later found, had plunged Vientiane into a mood of gloom and pessimism. Yet they appeared to have induced little more than some nervousness among Thai officials. There seemed to be some unarticulated belief on the part of the Thai that the North Vietnamese would stop short of the Vientiane plain. If asked about [deleted] military strategy in the event that the North Vietnamese did not stop, [deleted] invariably observed that it would obviously be preferable to fight the North Vietnamese in Laos rather than in Thailand. It seemed apparent, however, that the Thai [deleted]. In light of past history, it would seem possible that the Thai could well consider sending forces into the Lao provinces of Sayaboury, Champassak and Sithandone, not to fight the North Vietnamese but to establish a presence in these provinces traditionally considered by the Thai to be an outer defense perimeter.

460-396 O—72——2

The situation in Cambodia seemed of even less concern to the Thai, and the war in South Vietnam was scarcely mentioned at all. In part, this attitude might have been a result of the fact that there had been little North Vietnamese activity in the western part of Cambodia near the Thai border. In part, it might have been due to the fact that at the time of our visit to Thailand the military situation in Cambodia and in Vietnam was relatively quiet. In any case, we saw no evidence that the Thai were giving any thought to reversing the fundamental decision which they reached in the Fall of 1970 to limit their military role in support of the Cambodian Government to the training of Cambodian troops in Thailand [deleted], and some rather insignificant economic assistance.

The only time the war in South Vietnam was mentioned was when the subject of the withdrawal of American troops from Southeast Asia arose. In such cases, the conversation soon turned to two questions of obviously great concern to the Thai: the future role of the United States in Asia; and the effect of the changing U.S. relationship with the Peoples Republic of China on Thailand's own future relations with China. For the Thai seem far more concerned about China than they are about North Vietnam or even about their own Communist insurgents. To the extent that the insurgents really worry the Thai at all (despite years of American urging that they should worry), it seems to be more because they are considered to be instruments of the Chinese than for any other reason. And it is thus not surprising that of all the activity going on in Laos, it is the Chinese road, which now extends to within nine miles of the Mekong and to within 30 miles of the Thai border, which seems to be the greatest source of Thai anxiety.

Concerned, then, about China above all, Thai political circles appear to feel that their past direct involvement in Vietnam, their present involvement in Laos and the fact that it is from Thai bases that an increasingly greater proportion of the American air war in Indochina is conducted could represent formidable obstacles to the normalization of their relations with China. Indeed our visit to Thailand coincided with a noticeable increase in propaganda articles by the North Vietnamese and Chinese on Thailand's role as a base of American military operations.

We heard frequent references to the common interests Thailand shares with the United States, but it was also obvious to us from our conversations that Thai leaders wonder whether U.S. and Thai interests do coincide and whether such a close identification with the United States is still an asset. At present, their apparent preference is for a strong alliance with the United States, backed by a permanent and unequivocal commitment to their military defense and economic development. But, as American officials acknowledge, the Thai are realistic enough to recognize that such a relationship is no longer a practical political possibility. They wonder what is possible, recognizing that the answer lies in the future course of United States policy in Asia. The fact that this is an American Presidential election year increases their anxiety.

This feeling of uncertainly on the part of the Thai has apparently been growing for years but has developed rapidly in recent months. It is not so much that Thai leaders were shocked by the announcement of President Nixon's trip to China but more that they are concerned

that they were not consulted. The realization that, unbeknownst to them at the time, Dr. Kissinger was on his way to China when he stopped in Bangkok and, according to Thai accounts, reassured them concerning future U.S. support, is said to trouble some leading Thai figures. Although they publicly express the hope that the Peking visit will result in reduced tensions in Asia, some high officials regard the visit primarly as a U.S. domestic political matter. Others are said to worry privately about the possibility of a deal which would accord the Chinese an unchallenged sphere of influence.

The announcement of the trip to Peking and the admission of the Peoples Republic of China to the United Nations brought into the open a debate among Thai leaders concerning the future of Thailand's relations with Peking, a debate that appeared to have ended on November 17, 1971, when the constitution was annulled, the Parliament abolished and the powers of government assumed by a five man National Executive Council. Indeed, concern on the part of Thai military leaders at the possible consequences of a prolonged China debate was cited as one of the factors that precipitated the so-called coup.

The other factor most frequently cited as a reason for the annulment of the constitution was the frustration and annoyance experienced by senior Thai military officers in their dealings with the Parliament. Among the shortcomings ascribed to the Thai Parliament were its opposition to tax increases, its insistence on "pork barrel" projects to the detriment of "orderly planning," its preference for a budget weighted toward the civilian sector rather than increased defense spending and its "dilatory and critical manner."

Some U.S. officials do not regard the demise of the Constitution and the Parliament as a particularly unfortunate development, except for the negative public relations effect in the United States. These sentiments are shared by the Thai and foreign business communities, Thai military and civilian officials and many foreign observers. All of these groups contend that the Thai were "not ready for democracy" and that, besides, nothing had changed because the same people were still running the government. On the other hand, the few young Thai whom we met, some Thai journalists and a few foreign observers believe that, although the Parliament left much to be desired, the Thai will learn democracy only by trial and error and that the Parliament had provided a legitimate outlet for grievances which, if not re-opened, might leave those who are dissatisfied with no alternative but to turn to the communists. Those who hold this view believe that the present military government will not be able to ignore the youth and the journalists and that there will have to be a new experiment in democracy.

Immediately after the annulment of the Constitution and the abolition of the Parliament there were reports that elections would not be held for 5 years, but these were immediately denied by the National Executive Council. We were told that the government now hopes to have a provisional constitution in effect by the end of March 1972 to be followed by the appointment—not the election—of a legislature and a cabinet. Some believe, however, that [deleted].

Meanwhile the government is making a considerable effort to create an impression of energy and decisiveness. There is a decidedly law-and-order tone to many of their public pronouncements with considerable emphasis on measures being taken to suppress terrorism and,

in a less serious vein, to restrain Bangkok night life. Not immediately evident is what the government intends to do to stimulate the economy which has levelled off after a period of rapid growth. A third 5-year development plan has been adopted, but the domestic sources of its financing are not obvious and it establishes a requirement of $173 million of foreign assistance each year.

The more immediate economic problems confronting the country are diminishing markets and declining world market prices for traditional Thai exports, reduced U.S. expenditures and foreign investment, and a lack of progress in diversification. Some measures have been taken to reduce imports and stimulate exports, but some experts pointed out to us that although such "prudent and conservative" measures have something to recommend them, Thailand should be expanding its economy.

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In comparison with Thailand, where the important questions were those involving the relative wisdom of alternative policies for the future, in Laos the question of survival overshadowed all else. Both in Washington and in Vientiane we were told that the immediate North Vietnamese aims in Laos are to destroy the more important government forces in the North (principally the Meo, Lao Theung, Lao and Thai irregulars, all CIA trained and advised), to neutralize General Vang Pao and to eliminate Long Tieng as a support base for offensive operations in the Plain of Jars. American officials believe that the underlying North Vietnamese objective is not to take over Laos or to topple Souvanna Phouma but rather to bring sufficient pressure to bear on him to compel him to adopt positions more favorable to Communist interests in Laos, including asking for the withdrawal of Thai irregulars and a cessation of U.S. bombing throughout Laos.

No American official would venture an opinion as to what military development would constitute a breaking point which would mark the end of the Lao government in its present form and with its present policies. One knowledgeable American did not believe that there was any breaking point because the Lao could "go into the jungle" or "fight from across the Mekong." When reminded that American and Lao officials had said to us in April 1971 that the loss of Long Tieng would be a disastrous psychological blow, he said that Long Tieng was not indispensable because, in his words, "you can always get another Long Tieng, but you can't get another army." On the other hand, it was our impression that every attempt would be made to hold the base.

The reason for wanting to hold Long Tieng is probably to be found as much in the cyclical nature of the war in northern Laos as it is in the symbolic importance of the base. Long Tieng has always been the launching point for the offensives which the Lao have mounted across the Plain of Jars every rainy season to recover territory taken by the North Vietnamese during the preceding dry season. Thus, unless Long Tieng is held, there may be no counter offensive later this year.

The present predicament of Long Tieng is particularly depressing to the Americans and the Lao because this dry season began with what appears to have been an ambitious gamble. In May 1971, Vang Pao drove eastward across the Plain of Jars with U.S. air and logistical support. Defensive positions, primarily Thai irregular artillery fire

bases, were established to enable Lao forces to be far to the east when the enemy dry season offensive began. U.S. officials had always expected this dry season to be the worst since 1962, but they had hoped nevertheless that Vang Pao could hold the Plain of Jars to slow down the North Vietnamese advance. After the Plain was recaptured, Souvanna offered the Pathet Lao a cease fire involving such elements as a bombing halt in northeast Laos, talks at Khang Khay, neutralization of the Plain, and the mutual withdrawal of forces and their replacement by mixed teams. The Pathet Lao response to all of these offers was that the first precondition to be met was a total bombing halt throughout Laos, although the latest note from Souphanouvong to Souvanna, which was received in Vientiane on January 24, made no mention of a bombing halt but demanded instead the removal of Thai troops.

On December 16, at least a month earlier than in any previous year, the North Vietnamese attack began on the Plain of Jars. Because of heavy anti-aircraft concentrations near the North Vietnamese ground forces, the Lao T–28's were unable to operate. And, in addition, the North Vietnamese attack was supported by the use, for the first time in Laos, of Soviet made 130 mm guns with a maximum effective range of 16 miles, compared to the 9-mile range of the American 155 mm howitzers used by the Thai and Lao. As a result of the combination of these factors, the Lao irregulars, who had been expected to screen the Thai irregular fire bases against attack, broke and ran, losing from [deleted] to [deleted] of their personnel. The Thai irregular units, who also suffered heavy losses, are reported to have held until ordered to withdraw. But within two days, the North Vietnamese had regained control of the entire Plain of Jars, and by early January Long Tieng was under siege.

Regardless of what happens during the remainder of this dry season, which lasts through May, the past year of the war has already taken a heavy toll of government forces. It was pointed out to us that unlike the pattern of previous years, there has been almost continuous fighting throughout Laos since April with high losses not only in the Plain of Jars and Long Tieng but also in the South near Pakse. At the time of our visit, it was generally agreed that without the Thai irregulars Long Tieng would have fallen, and one American official said to us that the 18 Lao irregular battalions from Savannakhet were "the only thing holding the country together."

Faced with these circumstances, and because conscription was not considered to be politically feasible, the Lao Government [deleted] about the possibility of [deleted]. The Lao also [deleted].

U.S. air combat activity in northern Laos at the time of our visit was at about the same level as it had been last April. But since December the normal pattern of U.S. air operations over northern Laos, which the Air Force designates as "Barrel Roll," has often been disrupted by North Vietnamese MIGs. When a MIG enters Laotian air space, or when it appears probable from radar information that a MIG will enter [deleted].

These forays by North Vietnamese MIGs have complicated even further the already difficult problem of ensuring U.S. air support for Lao Government forces. The U.S. planes which operate in northern Laos are drawn from the same units, based primarily in Thailand, which provide the aircraft for operations over the Ho Chi Minh Trail

area in southern Laos, North Vietnam and, to a lesser extent, Cambodia. Each day 7th Air Force officers in Saigon weigh the competing claims for air strikes in various areas and allocate available aircraft. This process has involved increasingly difficult choices over the past two years because of the steady drawdown of aircraft from Southeast Asia.

While the provision of adequate U.S. air support and the supply of manpower are continuing problems in Laos, the flow of U.S. supplies, equipment and ammunition is being maintained at a level judged by American officials to be sufficient to meet the needs of government forces. Although the enactment of the $350 million ceiling on U.S. expenditures in Laos is a source of concern and considerable work for U.S. officials, we were told by all the senior U.S. officials involved that it has not yet resulted in any curtailment of procurement or operations or in any shortage of materiel or training (the press had reported, however, that one Embassy official, who was not identified, had said that the ceiling was responsible for the North Vietnamese offensive). So far the problem does not seem to be a lack of authority or funds but rather the unavailability of manpower and the ever present shortage of competent officers and cadre.

Despite, or perhaps because of, the fact that the military situation in Laos is far worse today than it was last April, we did not hear any reports of threats to Souvanna's position from right-wing political elements. Some Americans with whom we spoke even felt that Souvanna's position had been strengthened by the recent Lao National Assembly elections which resulted in the defeat of a number of rightist candidates and an increase in the strength of the neutralist faction and those who favor accommodation with the Pathet Lao.

Whether this assessment is accurate or not, and not all Americans attach much significance to the elections except to marvel that they could have taken place at all, Souvanna appears to remain the indispensible leader. Whether or not the rightists like him, they are persuaded, according to all observers with whom we talked, that the Americans would not support a coup. And U.S. officials, both in Washington and in Vientiane, believe that while the North Vietnamese would like to force Souvanna to change his policies, they would not want to see him removed from the scene.

Our last day in Vientiane coincided with President Nixon's announcement of the secret negotiations with the North Vietnamese. Souvanna reportedly reacted positively to the President's proposals, just as he had earlier to the announcement of the trip to Peking. Even so it appeared that whatever faint hope the Lao leaders had that these steps could lead to an end to the fighting was overshadowed by their anxiety regarding the immediate military emergency. Some observers in Vientiane believed that the North Vietnamese offensive was specifically timed to President Nixon's visit to China. As one remarked: "Summit meetings always produce offensives."

* * * * * * *

While Phnom Penh was not as gloomy as Vientiane, the mood there was certainly far more somber that it had been on our previous visits in 1970 and 1971, even though there had been a lull in military activity for several weeks and despite the fact that all the major roads out of Phnom Penh were open in contrast to the situation last April when

all were cut except for Route 1 to South Vietnam. But nine more months of war, which had produced heavy losses, seemed to have had an effect on Cambodian morale.

The most significant Cambodian military initiative in recent months was the Chenla II offensive begun in October, 1971. The objectives of this operation were to open Route 6 north of Phnom Penh in order to lift the siege of Kompong Thom, to re-establish government presence in the area and to interdict the North Vietnamese supply and infiltration lines supporting forces to the south and west of Phnom Penh. The operation was regarded from the outset with considerable apprehension by [deleted]. For a number of reasons, including [deleted], Chenla II turned into a major rout, just as Chenla I had a year earlier. As one American described it, "they stuck their fingers into no-man's land and the enemy bit them off." The Cambodian Army's losses in Chenla II are believed to have been heavy but as of the time of our visit, almost two months following the end of the operation, casualty figures had not been reported to Cambodian Army headquarters. The order of magnitude of these casualties is indicated, however, by the heavy losses of equipment in the operations. These included [deleted] individual weapons, [deleted] machine guns, [deleted] mortars and [deleted] grenade launchers. Enemy losses were also believed heavy, mainly as a result of U.S. air action.

In the aftermath of Chenla II, the North Vietnamese have again established a logistics corridor which is being used to supply their forces southwest of Phnom Penh and to move rice from the Battambang-Pursat area of Cambodia to southern Laos. We were told that the availability of rice has enabled the North Vietnamese to devote a greater portion of their shipments down the Ho Chi Minh Trail to arms and ammunition, thus offsetting to some extent the high truck kills claimed by the 7th Air Force in the past few months. And the entire border sanctuary area north of Route 7 and opposite Military Regions I and II in South Vietnam, one of the principal targets of the May 1970 incursions, has reverted to complete communist control. Within this area, COSVN was still reported to be located at Kratie.

On the question of whether U.S. military support for Cambodia has benefited the Vietnamization process, Embassy officials point out that the North Vietnamese are now obliged to use larger units against the Cambodian Army. The FY 1972 Congressional Presentation of the military assistance program states that U.S. military assistance has enabled Cambodian forces "to engage the attacking communist force in sustained contact" and has thus "diverted and tied down large numbers of NVA/VC forces which would otherwise be deployed against U.S. and South Vietnamese forces in South Vietnam."

The CINCPAC briefing we received during our visit to Pacific Headquarters in early February did not refer, however, to the Cambodians engaging the enemy in "sustained contact" or to the tying down of "large numbers" of enemy forces which would otherwise be deployed in Vietnam. It gave the somewhat different impression that more North Vietnamese are using Cambodia as a base area than ever before, that these North Vietnamese units are being moved around Cambodia more than at any time in the past year and a half, that only small numbers of enemy forces have been used in combat in Cambodia and that in almost all engagements with the Cambodian army the

North Vietnamese have prevailed. The precise words used in the CINCPAC briefing were: [Deleted.] The North Vietnamese have, at the same time, been quite successful in expanding and strengthening the Khmer Communist movement. The strength of the Khmer Communists, estimated at 3,000 in May 1970 and at 10,000 in December 1970, is now believed to be about 18–20,000, although some estimates say it may be as high as 35–50,000.

The military developments of mid-1971, particularly the failure of Chenla II and the simultaneous North Vietnamese main force diversionary probes at Phnom Penh, precipitated a serious crisis of confidence on the part of Cambodian leaders in Premier Lon Nol's ability to lead the government and direct military operations. (In the midst of this crisis the Voice of America broadcast in the Khmer language the Jack Anderson telegrams reporting Ambassador Swank's critical assessment of Lon Nol and his associates, news which would otherwise have been available only to the few Cambodians with access to foreign newspapers.) When, of their own accord, the North Vietnamese withdrew their forces from the immediate area of Phnom Penh, the political crisis subsided, and by the time of our visit there had been a reconciliation between Lon Nol and his ministers.

One American analyst noted that although there have been such imbroglios before, and although they have all blown over, each one has served to deepen the divisions within the Cambodian leadership. Even so, despite continued jockeying for position by such figures as Deputy Prime Minister Sirik Matak, former Vice Premier Im Tam and Son Ngoc Than, the Khmer Krom leader, most political observers have apparently concluded that Lon Nol remains the only figure capable of holding the government together. As one observer put it: "The Cambodians know that while they may not be able to run things with Lon Nol, they know they cannot run them without him."*

Younger Cambodians appear to have lost much if not all of their earlier martial spirit. Their hopes for reform have dimmed considerably. They are disillusioned by the continuing corruption, particularly within the military, and critical that the drafting of a new constitution and the election of a new Assembly to replace the one dissolved on October 30 have moved so slowly.**

On the economic front, the government has embarked on a new economic reform program. These measures, which were put into effect in October 1971, include the establishment of a unified foreign exchange market, the elimination of most import restrictions, new budget procedures, increased excise and luxury taxes and increased interest rates on bank deposits. They have succeeded, for the moment at least, in breaking the momentum of the inflationary spiral which began with the April 1971 government crisis and which reached its height in July 1971 when the inflation rate was 60 percent.

The reform program, designed primarily by the IMF, has been strongly supported by Sirik Matak. While the program is now gen-

*A new crisis erupted in March after our visit. On March 10 Chief of State Cheng Heng resigned and designated Lon Nol his successor. On March 12 Lon Nol restructured the position and assumed the title of President. On March 16, after a series of student demonstrations directed against him, Sirik Matak announced he was retiring from the number two position in the government. On March 18 it was announced that Son Ngoc Than would assume the office of First Minister, the number two position.

**On March 12 Lon Nol also terminated the mandate of the constituent assembly which had been drafting a new constitution.

erally accepted by the Cambodian business and financial community, it is widely unpopular. Apparently, the root cause of its unpopularity is that by eliminating the previous system of foreign exchange rationing and import licensing, the plan struck at the heart of a long-standing system of private privileges and official corruption.

While the economic reform program appears to be succeeding thus far, such stability as has been achieved up to this point is considered to be largely the result of some $40 million in U.S. cash grants. U.S. officials hope that the new multilateral Economic Stabilization Fund (ESF) and the U.S. Commodity Import Program will pick up the burden by mid-1972 when reserves will again be tight. The Commodity Import Program has certainly not picked up the burden yet and, according to some U.S. officials and other observers, it may never be able to do so. At the time of our visit, a year after the program had been authorized, only $17.6 million of orders had been placed against the $50 million available, and no goods had arrived.

Many observers, including some Americans, now conclude that it will be years before the Cambodians will be able to hold their own in serious fighting with the North Vietnamese. Some believe that even the present U.S. force goal of 220,000 men—that is, the troop level the United States will support—is unrealistically high. Nevertheless both the Cambodians and the U.S. Military Equipment Delivery Team continue to consider 220,000 to be a minimum force, and CINCPAC plans foresee a continued expansion and modernization of the Cambodian Army. Even with the limited opportunity we had to observe Cambodian units in the field, however, it was quite apparent to us how much more remains to be done before those units already in existence can attain even minimum levels of equipment and proficiency.

A year ago an officer of the Cambodian high command described to us how the Cambodians had managed to weather Phase I of the war (the period of defense and of the establishment of the "Lon Nol line" running diagonally across the middle of Cambodia from Northwest to Southeast); was then well into Phase II (the period in which government control would be extended throughout the area south of the line); and would within the year begin Phase III (the period of offensives to rid the country of the North Vietnamese). In the course of this visit, we heard no mention of Phase III. Instead there seemed to be a realization that things have gone very badly indeed, both politically and militarily. There is, however, no clear concept of how they are going to be managed better, or even differently, in the future. Some say that Chenla II was the turning point and that the Cambodians now realize that even with the South Vietnamese army (which many of them despise and distrust) and American air power (which they do not know how long they will have) they cannot win the war.

While we were in Phnom Penh reports were freely circulating in diplomatic circles that the Soviets (whether on their own initiative or with Hanoi's approval was not clear) were suggesting the possibility of a "live and let live" arrangement between the North Vietnamese and the Cambodians under which the Cambodians would agree not to attack North Vietnamese forces in areas they occupy and would allow the North Vietnamese some access to Cambodian ports

460-396 O—72——3

while the North Vietnamese would agree not to put further military pressure on the Cambodians. The proposal did not seem to be drawing either a favorable or a negative response in keeping with the general mood of apathy and drift in the Cambodian capital.

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The foregoing description is designed to set in context the following sections of the report which examine U.S. programs and activities and which provide further detail on certain subjects discussed more generally above.

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II. Thailand

A. THE U.S. PRESENCE

In 1968, the number of U.S. military personnel in Thailand reached a high point of 48,000. In FY 1970, by joint agreement with the Thai Government and at their initiative, a ceiling on the number of U.S. military personnel was set at 42,000 (at the time this figure was not publicly described as a ceiling but rather as a reduced level mutually agreed upon). In FY 1971, again by agreement, the ceiling was further reduced to 32,200. There have been no further personnel reductions since, although there were rumors in Washington a year ago that further reductions were to be made in this fiscal year.

We were told that, as of January, there were 31,685 U.S. military personnel in Thailand on permanent duty of whom 1,534 were on temporary duty. (Of those on temporary duty, 1,011 are on "recurring TDY" which is defined as meaning that they support a mission permanently in Thailand.) Of those on permanent duty, there were 26,597 Air Force personnel with the 7/13th Air Force; 2,502 service personnel in various military units including about 290 Special Forces personnel (there were 60 other Special Forces personnel on temporary duty from Okinawa to help train Thai irregulars going to Laos); 1,829 Army personnel attached to USARSUPTHAI, the Army support command; 563 service personnel assigned to MACTHAI and the JUSMAAG (about 325 in JUSMAAG); 117 Army and Air Force personnel attached to DEPCHUS MAAG, or Depchief as it is known (the activity in Thailand that supports the Defense Department military assistance program in Laos); 65 service personnel engaged in various SEATO activities; and 12 with the ARPA Research and Development Center. (ARPA, incidentally, will end its operations in October of this year. Its costs in FY 1972 are estimated to be $2.5 million, but these will drop in FY 1973 to about $250,000. At the height of ARPA's activities in 1967, there were 192 U.S. contract researchers operating under ARPA auspices at an average cost of about $60,000 a year. There are now four.)

There were 1,932 U.S. personnel attached to the Mission at the time of our visit. Of these, only 128 were State Department personnel including those with regional responsibilities such as diplomatic couriers. There were 1,255 Defense Department personnel (84 with the Defense Attache's office, 543 civilians and 628 contract personnel); 250

in the economic aid mission (188 regular employees and 62 on contract); 268 Peace Corps volunteers; 33 from USIA; 15 from the Justice Department; 6 from the Federal Aviation Agency; 5 from the Foreign Broadcast Information Service; 4 attached to SEATO; and 1 each from the Commerce and Agriculture Departments. CIA personnel are not separately identified. In addition there were 8,713 U.S. dependents in Thailand, including 5,152 military dependents and a number who were in Bangkok as a "safe haven" from the hazardous duty posts where their husbands were serving. In all, there were over 43,000 official Americans and dependents in Thailand in January of this year.

We asked the Embassy to provide an estimate of the number of military personnel in Thailand whose activities were not related to the war in Indochina. Their estimate, which they characterized as "highly subjective," was that "between 4,000 and 5,000 personnel are associated with activities in Thailand not related to the war." The Embassy statement went on to say, however: "It should be recognized that many of these personnel may also have duties presently supporting the war effort."*

It is difficult to determine who all of these "4,000 to 5,000" personnel are. They obviously include the MACTHAI complement, the Defense Attache personnel and some portion of the [deleted] and [deleted] personnel. [Deleted.]

The approximately 26,000 officers and men of the 7/13th Air Force are found at 5 major bases—Korat, Nakhon Phanom, Ubon, Udorn and U Tapao (these are all Royal Thai Air Force Bases, as the United States has no base rights agreements or formal leasing arrangements. Deployed at these bases at the time of our visit were 2 tactical fighter bomber wings, 1 tactical reconnaissance fighter wing, 1 strategic wing and 1 special operations wing. In all, there were at the time of our visit about 450 U.S. planes in Thailand including 162 fighter-bombers, 41 B–52s, 29 fixed wing gunships and 10 medium bombers. We were told that the number of planes available in Thailand was 60 less than the number available a year ago.

In fiscal years 1970 and 1971, U.S. use of two major bases and several smaller installations was ended, and the U.S. military presence was reduced by 16 percent. We were told, however, that there are no plans at this time to make further reductions either of planes or of personnel.

At the same time, however, some major new military activities have been moved to Thailand in the last 2 years. These include a squadron and a half of [deleted], [deleted] more B–52s (as a result of the termination of B–52 operations from Guam** and [deleted]), 1 B–57 squadron, [deleted] and about 30 other aircraft. In addition, there were [deleted] EC–121 and [deleted] F–4 aircraft on temporary duty in Thailand because of recent MIG activity in Laos.

There are significant non-flying activities at Nakhon Phanom and Udorn. Nakhon Phanom has a separate installation known as [deleted]

*In reviewing the report, the Executive Branch stated: "It has been determined that the figure of 4,000 to 5,000 did not deal only with the current situation but also included certain assumptions as to post hostilities requirements and that the correct estimate for personnel not connected with Southeast Asia hostilities is around 3,000."

**In February, B–52's again began operating from Guam but these aircraft were additional to those previously moved from Guam to Thailand, and in April there were further deployments of B–52's to the Pacific theater.

which controls the so-called electronic battlefield and has [deleted] Air Force personnel assigned. (There is also a small Special Forces detachment at the [deleted] base operating under [deleted] which [deleted.]).

The Royal Thai Air Force base at Udorn is, however, the most important operational military nerve center in Thailand. Located there are the following U.S. elements in addition to Air Force squadrons:

1. The headquarters of the 7/13th Air Force.
2. Military intelligence and Air Force intelligence detachments.
3. The CIA installation which is responsible for the irregular program in Laos. It keeps Laos order of battle information, records information on Chinese road building activity in Northern Laos, provides some logistics and operational support to both Lao and Thai irregulars in Laos and performs a liaison function with the [deleted] Headquarters which is the Thai Government unit, also on the Udorn base, that is the liaison office for the Thai irregular forces in Laos.
4. Dep Chief, the activity that administers the Defense Department funded military assistance program in Laos.
5. Detachment 1, 56th Special Operations Wing, the unit that trains Royal Lao Air Force pilots, forward air guides and ground support personnel.
6. The helicopter detachment attached to the office of the Army Attache in Laos.
7. A Coast Guard group that operates a Loran navigation system to guide U.S. air strikes in Laos and North Vietnam.
8. Air America and Continental Air, both of which operate, on government contract, in Laos from Thailand, carrying cargo and civilian and military passengers (Air America now employs 2,000 people on the Udorn Base—250 Americans, 150 Nationalist Chinese and Filipinos and 1,600 Thai).

Near Udorn are two other major American installations. One is the 7th Radio-Research Field Station, known as Ramasun Station. The other is "Pepper Grinder," a 379-acre supply depot where military materiel destined for Laos under the Defense Department military assistance program is stored.

B. MILITARY ASSISTANCE

In connection with the deployment of Thai troops to Vietnam in 1967, the United States agreed among other things—in the letter of November 9, 1967, from Ambassador Unger to Air Chief Marshal Dawee—to increase the Defense Department funded military assistance program for Thailand in Fiscal Years 1968 and 1969 from the originally planned level of $60 million each year to $75 million. In FY 1970, the original program figure (the general planning ceiling) was again $60 million, but an additional $5.8 million was added to provide for the accelerated delivery of M–16's which had suddenly become available. In FY 1971, the program figure was again $60 million (or to be precise, $60.1 million), but in FY 1972 it is $68 million. The increase in FY 1972 is due to the addition of $1.5 million for certain operating and maintenance costs that could not be used in FY 1971 and had to be deferred and of $6.5 million to

provide the Thai with 14 Huey and 2 Chinook helicopters instead of the Hawk battery the United States had also promised, in the 1967 Unger-Dawee letter, to provide when Thai troops were sent to Vietnam and which was considered to be worth $6.5 million at the time. (In retrospect, it was decided that Thailand did not need a Hawk battery—some had never understood the reason for agreeing to provide it—but by the time the decision had been made $500,000 had already been spent for training Thai personnel in how to use it.)

In the past four years, Defense Department funds have supported not only the Thai military assistance program but also the costs involved in supporting Thai forces in Vietnam. Thus, in 1969 the Thai Defense Department funded military assistance program level was $73 million but total Defense Department expenditures in support of Thai forces in Thailand and Vietnam were $160 million; in FY 1970 when the program ceiling was $65 million, expenditures were $104 million; and in FY 1971 when the program level was $61.6 million, expenditures were $89 million. In this fiscal year expenditures are currently estimated at $70 million while the program ceiling is $66.5 million. (These expenditures do not include $17.6 million excess in FY 1971 and $5.6 million excess in FY 1972 which are not charged against the program ceiling, or the $34 million worth of facilities turned over to the Thai in FY 1971.) In FY 1973, the Mission in Bangkok is again planning on a $60 million military assistance program figure.

Within the FY 1972 program is $15 million for a project known as "Additional Assistance Thailand." The official description of "Additional Assistance Thailand," or AAT, is that it is a one shot injection as an add on to the normal military assistance program designed to build up Thai forces to cope with the greater external threat posed by developments in Laos and Cambodia and with the insurgency.

The $15 million AAT, which was still being discussed with the Thai at the time of our visit, is to be matched by a Thai contribution to their defense budget of the local currency equivalent of [deleted] million. There are also plans for a Public Law 480 agreement of $30 million spread over two years but the negotiations had not been completed due to a difference of views with regard to [deleted]. We were told in Bangkok that the local currency generated by the Public Law 480 agreement would be used to sustain the Thai development programs so that they would not be prejudiced by the increase in the Thai defense budget needed to upgrade certain units for counterinsurgency operations and, in this connection, to improve the training, operations, logistics and infrastructure of their forces. We were also told that part of the increase in the Thai defense budget would be used to set aside reserves for contingencies which might require purchases under the Foreign Military Sales program if Defense Department military assistance funds could not be used because of the third country prohibition, as is the case for ammunition and spare parts for Thai Air Force missions [deleted].

To administer the military assistance program, in addition to the headquarters people in MACTHAI, there are Army, Air Force and Navy advisory groups. The Army JUSMAAG element has 170 officers and men, the Air Force element 112 and the Navy element 32. The

*The Executive Branch subsequently did propose a grant military assistance program of $60 million for Thailand in FY 1973.

advisory effort is concentrated on the Thai counterinsurgency program, and MACTHAI headquarters monitors both its operational and intelligence aspects. The 74 Army Advisory Group field advisers, who are found down to regimental level, and the 23 Air Force field advisers monitor the program in the field among their other duties. So do the U.S. Special Forces personnel in Thailand, about a third of whom are involved in training the Thai in counterinsurgency. In all, the Mission estimates that 291 U.S. military personnel are engaged in some form of counterinsurgency advisory role, in most cases as a collateral duty.

The counterinsurgency guidelines issued by the Embassy and approved by the Thai Government state that there is to be no direct support of combat operations by U.S. personnel, that U.S. personnel are not to approach the immediate areas in which combat operations are taking place and that U.S. advisors are not to accompany units below battalion headquarters on military operations. The guidelines add, however, that these prohibitions are not to be construed as prohibiting advising on small unit tactics and that U.S. advisors should advise their counterparts on all aspects of field operations and training.

C. THE INSURGENCY

United States support for counterinsurgency programs in Thailand is thus closely related to the military assistance program and, as discussed below, to the economic assistance program as well. The insurgency in Thailand first became overt late in 1965, although it is said that the training of insurgents, and the planning for the insurgency, had begun some years before. As of September 1971, there were between 6,200 and 7,000 armed insurgents in the country, according to the Mission. Of these 2,300 to 2,700 were in the North (where the insurgency is considered most serious), 1,525 to 1,775 were in the northeast, 125 were in the central section of the country, 460 to 470 were in the mid-south and 1,800 to 1,900 were in the far south. Over the past year, the number of armed insurgents has risen 53% in the mid-south, 28% in the far south, 21% in the north, and 9% in the northeast. It has remained constant in the central section.

There were [deleted] confirmed casualties as a result of the insurgency in 1970 and [deleted] in 1971. Of the 1971 casualties, [deleted] insurgents were killed and [deleted] wounded; [deleted] Thai military were killed and [deleted] wounded; [deleted] civilians were killed and [deleted] wounded; and [deleted] Thai Government officials were killed and [deleted] wounded. Thus, almost [deleted] of those killed and [deleted] of those wounded were victims of insurgents.

The support for the insurgency is now said to be principally Chinese. We were told that there is some training of insurgents along the Chinese road in Laos and that the insurgents carry Chinese weapons and Chinese training and propaganda material. Some of the military equipment comes, however, from North Vietnam and across Laos.

The actions taken recently on the part of the Thai Government to counter the insurgency include:

1. Assigning better qualified district officers to the North and Northeast.
2. Sending out elements of the central Army reserve from Bangkok to participate in counterinsurgency operations.

3. Coordinating more closely all elements involved in counter-insurgency activities. (There are now about [deleted] Thai military and police personnel engaged in counterinsurgency in the Northeast—about twelve percent from the Royal Thai Army; thirty-three percent from the Provincial Police; eleven percent from the Border Patrol Police; one percent from the Mekong River Patrol Unit; and forty-three percent from the village volunteer force.)

One factor which seems to limit the use of Royal Thai Army units for counterinsurgency operations is the alleged lack of funds to provide the *per diem* required when troops are operating in the field away from their normal duty stations. Each unit is allotted a certain number of days of *per diem* annually, but this allotment is rarely enough to keep more than a fraction of its personnel in the field on a regular basis. For example, at the time of our visit there were about [deleted] Thai army personnel stationed in the Northeast but we were told that only [deleted] annual *per diem* spaces were authorized. For reasons not explained, only [deleted] of these spaces were filled and of these [deleted] were designated for administrative personnel. Nevertheless, even with the funds available to maintain [deleted] combat personnel in the field on a continuous basis, we were told that at no time in the year prior to our visit had more than [deleted] percent of the Thai Army troops in the Northeast been in the field at one time.*

The Mission's official assessment is that the greatest problem facing the Thai Government in countering the insurgency is the overall coordination and direction of the counterinsurgency effort which is performed, at a national level, by the Communist Suppression Operations Command in Bangkok. Some foreign observers and Thai feel, however, that the problem is less one of coordination and direction and more of complacency and lack of motivation. Even the signs of action, some say are the result of American urging. [Deleted.]

D. ECONOMIC ASSISTANCE

The proposed program figure for economic assistance to Thailand in this fiscal year is almost twice that in FY 1971 and about equal to the level of economic assistance in FY 1968. This proposed increase in the level of American economic assistance comes at a time of declining economic growth in Thailand. The rate of growth of GNP is down from 9% to 6% (the population growth rate remains at 3.1%), foreign exchange reserves have declined from a high of $938 million in FY 1968 to an estimated $716 million (equivalent to less than 6 months worth of imports), rice exports are down, the trade deficit is estimated at $494 million, and U.S. military expenditures have declined sharply (net U.S. military spending is down from a high of $215 million in 1968 to $123 million in 1971 due primarily to the end of military con-

*In reviewing the report the Executive Branch not only insisted that all figures and percentages be deleted but also insisted that the following statement be added: "These figures give an incorrect impression in that the Thai also rely heavily on police forces for combating insurgents, especially in the northeast. Furthermore, the assignment of specific units and individual Thai Army personnel to counter-insurgency efforts varies from week to week depending on operations in progress, seasonal factors and the level of insurgent activity so that an isolated regional figure, either of army personnel or the number of personnel authorized or receiving *per diem*, has little significance."

struction and secondarily to the reduction of U.S. personnel both assigned and visiting on rest and recreation leave). In recognition of the economic problems they face, the FY 1972 Thai budget is up only 1.2%.

The level of U.S. economic assistance (in terms of obligations) reached a high of $43.3 million in FY 1968. In FY 1969 it was $30.5 million, in FY 1970 it was $23.3 million (the program figure was $26.5 million), in FY 1971 it was $22.5 million (the estimated program figure was $23.1 million) and for FY 1972 a $40 million program was proposed. AID net expenditures have fluctuated during this period. They were $35.7 million in FY 1968, $47.5 million in FY 1969, $30.7 million in FY 1970 and $36.5 million in FY 1971. The level of net expenditures has been higher than the level of obligations since FY 1969.

Two interrelated themes—counterinsurgency and economic development—appear in all discussions of, and justifications offered for, our economic assistance to Thailand. In considering the content of the FY 1972 program, the view of the Mission in Bangkok was that the approach of focusing Thai government concern, attention and resources on insurgency areas in the North and Northeast could not be continued efficiently. For one thing, the Mission argued, the programs could not absorb additional American assistance. For another, on a long term basis counterinsurgency projects could no longer preserve stability in Thailand in the face of the projected internal security threat.

The Mission also felt in the summer of 1970 that the Thai were ready to give greater assistance to Laos and Cambodia, to help support Vietnam and to become more active in regional economic development. For these reasons, and because of Thai sensitivity to changes in U.S. aid levels, the Mission took the position that it did not envisage a requirement for aid levels above the 1966–1970 average but that it considered it vital to sustain aid at the prevailing level (although in recommending a $40 million program level for FY 1972 the Mission was proposing an aid level about 20% above the 1966–1970 average). To carry out this modified approach, the Mission proposed increased technical assistance and advice to such government agencies as the Ministries of Education and Economic Affairs and the National Economic Development Board; technical assistance for the Thai National Police Department, including the provision of helicopters, vehicles and radios as well as advice; support for a gradual expansion of the Accelerated Rural Development Program into new provinces (a program under which new roads are built—3,763 kilometers through August, 1971—irrigation facilities are constructed and technical advice is given on rural development to local officials all with the objective of strengthening the relationship between the government and the people, an objective which some Americans feel was never fully accepted by the Thai leadership and which they say is far from being realized at the village level); support for such agricultural activities as agricultural credit, marketing policies and extension and research activities; and support for education, training and family planning.

The justification for the program in the FY 1972 Congressional Presentation Book stated:

"Primary emphasis in the U.S. program will continue to be placed in bolstering Thai efforts to improve security in rural areas and to support Thai counterinsurgency-oriented rural development programs. At the same time we will assist the Thai to address certain fundamental impediments to longer range economic development which have an important bearing on the Thai security effort."

There seemed, therefore, to be somewhat more emphasis on security and counterinsurgency in the justification presented to Congress than in the justification presented to Washington by the Mission in Thailand, although the breakdown of the $40 million as presented to the Congress appeared to correspond closely to the breakdown suggested by the Mission originally. (The Congressional Presentation Book divided the $40 million among the following major categories: $22 million for assistance to rural development efforts including $6.2 million for the Accelerated Rural Development Program; $9 million for public safety activities of which $7.1 million was for equipment and the remainder for advisers and training including the training of 75 Thai police in the United States; $4 million for aid to education; $2 million for medical services to rural areas; and $1 million for efforts to improve government administration.)

The Mission's proposal for the FY 1973 supporting assistance program suggested a [deleted]. The Mission has proposed [deleted]. The Mission was originally thinking of a security assistance program of [deleted] million with another [deleted] million in sector assistance (in agriculture and education) and in capital projects (such as rural electrification and urban potable water systems). They have been told, however, that they may only receive [deleted] million for security assistance and [deleted] for sector assistance. Of the [deleted] million proposed by the aid mission for security assistance in FY 1973, [deleted] million was suggested for police and rural development, [deleted] million for agriculture, [deleted] million for education, [deleted] million for narcotics and [deleted] million for population planning.*

Military and economic assistance is, of course, only a portion of the total U.S. input into Thailand. In addition to $85.6 million in the military and economic assistance programs in the next fiscal year, Public Law 480, surplus equipment, regional economic aid and the Peace Corps will total about $28 million and U.S. military spending will be about $100 million. Total U.S. input in Thailand in the next fiscal year will thus be about $213.6 million.

E. USIS

USIS estimates their total costs for Thailand in FY 1972 at $2.1 million. This figure includes the salaries and benefits of American employees but not the cost of Voice of America broadcasts. USIS costs were $2.4 million in FY 1971 and $2.9 million in FY 1970. The number of USIS personnel has been reduced from 39 Americans and 188 local employees in FY 1970 to 28 Americans and 136 local employees.

*The Executive Branch subsequently proposed a supporting assistance program of $25.6 million for Thailand for FY 1973 (including $4.6 million for public safety, $3.8 million for accelerated rural development and $5 million for agricultural credit loans) and $25.6 million in military assistance.

III. Laos

A. GOVERNMENT AND ENEMY MILITARY STRENGTH

At the time of our visit to Laos in April 1971, Lao Government forces totaled between 90,350 and 92,840 consisting of 52,000 in the Royal Lao Army, 4,000 in the neutralist army, [deleted] in the Lao Air Force, 30,000 Lao irregulars supported and advised by the CIA and [deleted] Thai irregulars advised by the CIA. (The Thai irregulars are discussed in the following section.) There are still about 56,800 in the Royal Lao and Neutralist Army (known as the FAR/FAN), but the Lao irregular forces are down to about 27,000. The estimate we were given is that there are now 17,400 infantry in the FAR/FAN compared to between 21,000 and 25,000 last April. (The FAR headquarters estimates [deleted].) That is about the same infantry strength as the Lao irregular units whose infantry strength is about 16,200. Total friendly infantry strength, excluding the Thai, is thus about 33,600. The Lao irregular units continue to do most of the fighting. Even though over 67,000 M–16's have been issued to the FAR/FAN—almost four times the number of infantrymen in the army—it continues to give a poor account of itself in the field.

Enemy forces at the time of our visit to Laos last April totaled between 114,765 and 139,000. They are now estimated to number between 121,000 and 145,000 (various U.S. Government agencies have various estimates depending in part on varying methodology). On the basis of the 121,000 estimate, the division is 90,000 North Vietnamese, 26,000 Pathet Lao and 5,000 dissident neutralists. Again on the basis of 121,000 enemy forces, 49,000 are in northern Laos and 72,000 in southern Laos.

Of the 90,000 North Vietnamese, some 25,500 are in infantry battalions and the rest in rear services. Of the 26,000 Pathet Lao, 20,000 are infantry. Thus total enemy infantry strength at the time of our visit was 55,500 compared to Lao infantry strength of 33,500 excluding the Thai irregulars or of about [deleted] including the Thai, still only about two-thirds of enemy infantry strength.

In connection with the current enemy offense in northern Laos, the North Vietnamese have put [deleted] more infantry regiments, [deleted] more anti-aircraft regiments and [deleted] new artillery regiments into the field—a total of 6,000 additional forces. As a result, in December, when the enemy offensive began, friendly forces in the Plain of Jars totaled about one half of enemy forces. Subsequently, [deleted] Lao irregular battalions from Military Regions I and III were moved temporarily to Military Region II. The most elite of these units, [deleted] Groupes Mobiles from Savannakhet, were considered to have been the key forces in preventing the enemy from destroying all government forces in the area, although they were badly mauled in the process and suffered a loss of one-third to one-half of their effective forces.

B. THE THAI IRREGULARS

The program of Thai irregulars in Laos (known as the SGU program for Special Guerrilla Units) provides for U.S. support of up to

[deleted] battalions this fiscal year. That remains the goal, but because of difficulties in recruitment in this fiscal year only [deleted] battalions at the most will be raised. Each battalion is supposed to have a strength of 550 men, but the infantry battalions, when deployed, are running at about [deleted] each and the artillery battalions at about [deleted].

At the time of our visit, there were [deleted] Thai irregular infantry battalions in Laos and [deleted] on leave in Thailand. Of the [deleted] in Laos, [deleted] were in [deleted], [deleted] in the [deleted] and [deleted] at [deleted]. There were also [deleted] artillery battalions deployed. The total force level of Thai irregulars present for duty in Laos was [deleted]. A total of [deleted] other Thai were either on leave, AWOL, wounded, missing in action or on temporary duty. When we were in Laos there were [deleted] additional Thai irregulars in training in Thailand.

The Thai Government continues to treat the program as a sensitive subject, insisting that the numbers involved be kept secret. The United States cites the Thai attitude as the reason it, too, refuses to permit disclosure of the details of the program. The Royal Lao Government, however, has a different approach. In a Voice of America interview with Prime Minister Souvanna Phouma on January 14, the following exchange took place:

The reporter: "Mr. Prime Minister, we know that there are roughly 6,000 Thai troops in direct support of the Meos, mainly artillery. Have you asked for more Thai troops to come in and support these people?"

Souvanna Phouma: "They are volunteers, not regular troops."

The reporter: "I understand that sir . . . we understand that an estimated 6,000 additional Thai are preparing to come to Laos."

Souvanna Phouma: "We have fixed a limit of 25 or 26 battalions of volunteers. Actually, I think we have only 15 or 16 battalions. Therefore, it is necessary to add more . . . that is to say in concurrence with the Americans we have planned for 25 to 26 battalions . . . up to the present time we have only been able to form 15 or 16 battalions. It's the complement to this group that will be coming."

The reporter: "Can you tell me how many volunteer Thai troops you expect to be operating in Laos by May 1?"

Souvanna Phouma: "In addition to the 16 battalions, we will have about 5 or 6 more . . . they can't be called Thai battalions. We must call them volunteer battalions."

The irregulars are recruited by the Royal Thai Army from all over Thailand. The Army is also supposed to recruit cadre of officers and noncommissioned officers on a volunteer basis. Each Thai irregular infantry battalion is supposed to have [deleted] cadre from the regular Thai Army, [deleted] officers and [deleted] noncommissioned officers, and each artillery battalion is supposed to have [deleted] cadre from the regular army.

When we visited one of the Thai irregular training camps with the Thai Army General from the Thai [deleted] Headquarters at Udorn, we interviewed two Thai irregulars through an interpreter. One was a private, and he told us that he had volunteered because [deleted]. The other was a noncommissioned officer. He told us that [deleted]. At the camp, we asked whether the officer and NCO cadre in the pro-

gram were volunteers. We were told that [deleted], that they served for a year, that they were then rotated out of the program and [deleted], and that no special effort was made to recruit ethnic Lao as distinct from other Thai.

We were told subsequently in Bangkok that [deleted].

U.S. officials who work with the program are well aware of the importance of the distinction between volunteers and nonvolunteers [deleted] because of the legislative prohibition against U.S. support of third-country forces in Laos. They thus emphasize that the Thai personnel including cadre from the regular Army serve in Laos under the overall command and control of the Royal Lao Government. They also contend that the regular Army cadre resign from the Army when they join the program, although [deleted].

The Thai irregulars are paid in Thai baht. The payment is made by the CIA in Udorn to officers of the Thai liaison unit on the basis of strength figures submitted by Thai S–4's at battalion level. In the case of the trainees in Thailand, the money is paid to them at the camp by the Thai liaison unit. After the trainees depart for Laos, there is a system whereby the Thai liaison office can send allotment checks to the families of soldiers or to personal accounts.

Thai irregular privates are paid 1500 Baht a month ($75) while regular Thai Army privates are paid 530 Baht ($26) a month. Lieutenants in the program are paid 2500 Baht ($125). In addition, irregulars receive a bonus of 2400 Baht ($120) at the end of their tours. If they reenlist, they are paid a bonus of 1200 Baht ($60) and are given 200 Baht ($10) a month in additional pay during their second tours. The cost of a battalion per year is estimated by CIA officials in Washington at about $4 million. Thus, based on Souvanna's estimate of 25 battalions, the cost of maintaining the present Thai irregular force for a year will be approximately $100 million.

Like the Thai General, all Thai officers in irregular units are given Lao names and Lao identity cards during their service in Laos. They go to Laos in separate Thai units—not individually—and serve in these units as long as they remain in Laos. Because the enlisted men in the units are volunteers, they are not subject to the same military discipline as those in the regular Thai army. Hence, there is nothing that can be done to force them to remain with their units either in training or after they are sent to Laos. Many of them do leave, a total of [deleted] since the program began or about 30%.

C. CASUALTIES

1. *U.S.*

Since May 1, 1971, 7 U.S. personnel assigned in Laos have been killed—1 Air America pilot, 1 Lao Air Development helicopter pilot, 1 Assistant Air Attache, 1 Continental Air pilot and 2 Forward Air Controller pilots. Two of these deaths were due to hostile ground fire and the rest to weather, engine failure and collision. (Three U.S. Air America personnel in a C–123 shot down near the Chinese road on December 27 were listed as missing at the time of our visit.

In April 1971, when we last visited Laos, there were 232 U.S. personnel missing in Laos. As of January 1, 1972, there were 260.

2. *Government and Enemy*

Casualties suffered by the Lao regular army (the FAR/FAN) are shown below:

	1970	1971	1972—through January 20
Killed	1067	557	74
Wounded	1909	1753	205

Enemy casualties, as a result of combat with the FAR/FAN are as follows:

	1970	1971	1972—through January 20
Killed	2027	1160 (285 by air)	54 (12 by air)
Wounded	1982	623 (52 by air)	30
Prisoner	483	113 (41 North Vietnamese)	0
Rallier		982 (13 North Vietnamese)	0

Lao irregular casualties are:

	1970	1971
Killed	1860	2259
Wounded	3742	5775

Enemy casualties in combat with Lao irregulars are as follows:

	1970	1971
Killed	5338	4544
Wounded	3727	2504

Thus, the FAR/FAN continues to account for proportionately few enemy killed in combat and far fewer than the irregulars. In 1971, taking the figures for those killed, the FAR/FAN was losing about two-thirds as many as the enemy in combat, excluding enemy killed by air, while the Lao irregulars were losing only half as many as the enemy in combat. Furthermore, although the strength of the FAR/FAN infantry component is somewhat larger than the strength of the Lao irregulars, the irregulars lost two and a half times as many killed in combat compared to the FAR/FAN in 1970 and 1971 and accounted for two and a half times as many enemy killed in 1970 and four times as many killed in 1971 as the FAR/FAN. The Thai irregulars have also suffered heavy casualties. In December alone, [deleted] Thai were killed and [deleted] were declared missing.

D. THE CHINESE ROAD

When we visited Laos in April, the Chinese road had reached a point 45 kilometers (27 miles) from Pak Beng which is 20 miles from the Thai border. As a result of work done since then, the road now reaches to within 9 miles of Pak Beng. In the North, there has also been some construction on a spur of the road to Nam Tha, which is now motorable, and from Nam Tha to Muong Sing which is not yet motorable. There has also been some Chinese road construction in Northern Burma.

In April 1971, the number of Chinese forces along the road was variously estimated at between 14,000 and 20,000 according to current Washington estimates. By December these forces had increased to between 20,000 and 26,000, and CINCPAC estimated the number of Chinese forces in northern Laos in late January at 30,000 to 33,000.

U.S. military aircraft are prohibited by the Operations Authorities from flying armed reconnaissance and strikes along the road and in the entire area north of it, or within [deleted] kilometers of known

Chinese positions, without prior approval of the JCS. Nevertheless, due to a loophole in the rules (which we were told was subsequently closed) there was at least one instance last Spring in which U.S. planes attacked Chinese positions and drew return fire.

Civilian aircraft, such as those of Air America, do not fly near the Chinese road because of the danger of being brought down by antiaircraft fire. On December 27, however, an Air America C–123 with 3 U.S. personnel and one Lao aboard, flying on a resupply mission southeast of the road from Udorn to Xieng Lom, went off course. Last reported northwest of the position it should have been in, it suddenly disappeared from the radar screen. It was immediately suspected that it had been shot down by Chinese antiaircraft fire. Later that day, a Volpar on a search mission in the area was hit by 85 mm Chinese antiaircraft fire but managed to land safely. On December 28 a C–123 south of the road, was hit by several rounds of AK–47 fire which it is presumed came from North Vietnamese ground forces.

On January 15, an Air America Volpar, dropping leaflets north of the road asking for information about the C–123 that disappeared on December 27, was hit by what was later determined to be Chinese antiaircraft fire. The plane managed to return to Udorn, but the pilot lost a leg and a crewman was injured.

E. MILITARY ASSISTANCE

In our April 1971 report on Laos, we reported that the Defense Department military assistance program figure for Laos for FY 1972, presented to the Congress, was $125.8 million but that the FY 1972 cost or expenditure ceiling was $252.1 million. That program cost ceiling is now set at $251.1 million. Of this amount, $131.3 million, or 52%, is for ammunition, a rise of 30% over the previous fiscal year. (We were told that as a result of the legislative ceiling of $350 million on expenditures in Laos this fiscal year, and in order to reduce what are considered to have been wasteful procedures, artillery expenditure rates have been instituted for each artillery piece for the first time since the military assistance program to Laos began.) In most cases, packing, crating, handling and transportation charges for material going to Laos under the program are charged only from the storage sites in Thailand and not from the continental United States.

Of the $251.1 million, the FAR/FAN (including the Lao Air Force) will receive $158.1 million, the Thai irregulars will receive $85.9 million and the Lao irregulars will receive $7.1 million. In the original program, the costs assigned to the Thai irregular program were lower, and there were no costs for the Lao irregulars. In the course of the current fiscal year, however, Thai irregular costs rose. That rise included a new cost of $3 million, which may go considerably higher, for maintenance, ammunition, spare parts and pilot training costs for 8 helicopter gunships to protect Air America medevac helicopters. It was also decided to include all Lao irregular costs in the Defense Department military assistance program in the next fiscal year which meant including a small increment this year for long lead time items. To compensate for these increases, the program includes funds for only [deleted] Thai battalions, instead of the [deleted] planned, since only [deleted] will be formed this fiscal year. In

the case of the Thai irregulars, pay and allowances come from the Defense Department military assistance program. In the case of the Lao irregulars, all costs, except the $7.1 million described above, are borne by the CIA but will come out of Defense Department military assistance funds in FY 1973.

The severe fighting in Laos since the summer has taken a heavy toll in equipment as well as in lives. In this fiscal year, through January 18, 10 T–28 aircraft, 7 O–1 aircraft and 5 UH–34 helicopters, all provided under the Defense Department military assistance program, have been lost—7 in combat, 6 due to crashes, 5 as a result of anti-aircraft fire, 2 in a mid-air collision and 2 through sapper attacks. The replacement cost of a T–28 is $200,000 and the replacement cost of a UH–34 is $90,000. There is no replacement cost for the O–1's because they are taken from excess U.S. stocks at no cost. (Unlike figures for the Military Assistance Program funded under the Foreign Assistance Act, expenditure figures for military assistance programs funded out of the Defense Department budget [MASF] do not usually include the value of excess equipment because the law has never required that a value be placed on excess material donated under MASF.) Other losses in this fiscal year of equipment provided to Laos under the Defense Department military assistance program include:

820	M–16's	5,790	Blankets
235	Grenade launchers	2,901	Uniforms
204	Mortars	33	105 and 155 mm Howitzers
2,876	Combat Boots	52	Trucks
3,200	Jungle Boots	8	Armored cars

All of this equipment was lost by the Thai and Lao irregulars except for the 56 mortars, 7 howitzers and all the trucks and armored cars which were lost by the FAR/FAN.

Despite the loss of aircraft, through the military assistance program the Royal Lao Air Force had more aircraft in January 1972 than it did in April 1971: [deleted] T–28's, [deleted] UH–34's, [deleted] C–37's, [deleted] AC–47's, [deleted] O–1's and U–17's and [deleted] T–41's or a total of 184 aircraft. (Only [deleted] of the T–28's were in the country at the time of our visit, however; [deleted] were assigned to Detachment 1 at Udorn for training, and the rest were undergoing repair or maintenance.) There are, in addition, 109 aircraft operated in Laos by the Army attache and by contractors.

The principal contractors are Air America, Continental Air Services International and Lao Air Development. Air America not only flies personnel and supplies into and within Laos but also carries out medevac missions as well. It also performs all maintenance on Royal Lao Air Force planes except for C–47's, the maintenance of which is the monopoly of a Thai company called Thai-Am. Air support contracts this fiscal year were $36 million for Air America, $6 million for Continental Air and $2.4 million for Lao Air Development.

F. ECONOMIC ASSISTANCE

The economic assistance program for Laos proposed to the Congress for FY 1972 was in the amount of $50.55 million composed of $18.2

million for economic stabilization and $32.35 million for project activities. This amount did not include an estimated $1.9 million in PL 480 Title II food aid and cotton cloth for refugees. The Fiscal Year 1972 program ceiling was subsequently lowered to $47.3 million, the $3.3 million reduction due to a reallocation of the costs of certain activities which AID has previously shared with the Defense Department military assistance program and with CIA.

The $18.2 million programmed for stabilization in FY 1972 is not an accurate measure of the amount being spent, however. The U.S. contribution to the Foreign Exchange Operations Fund (FEOF) in calendar year 1971 was originally set at $16.1 million but ended up being $20.1 million. Of this $4 million increase, $3 million was to make up a short fall in the FEOF resulting from increased demand for foreign exchange prior to the devaluation of the kip on November 8. (The Japanese, whose share of the Lao import market is now 17%, were asked to increase their contribution to the FEOF by $1 million to help allay this short fall but chose instead to contribute $1 million in rice for refugees. The United States then transferred $1 million from funds previously scheduled for rice purchases to the FEOF.) As a result of the increased U.S. contribution in 1971, the United States contributed 75.8% of the total contributed to the FEOF in 1971 instead of 71% as originally scheduled, a new high in the proportion contributed by the United States. In order to hold down the size of the FY 1972 aid program, payment of some of the calendar year 1972 FEOF contribution that should have come out of the FY 1972 program will now have to be funded in the FY 1973 program. It is estimated that the FEOF short fall in calendar year 1972 will be $3.5 million.

The amount provided for stabilization thus represents 34% of all U.S. economic assistance in FY 1972. A slightly larger portion, 38%, is to go to security-related activities such as refugee relief, rural public works and village health. In fact, in all $16.2 million will be applied to the refugee program, the highest figure in any year. This amount was planned on the assumption that the number of refugees would reach a new high of around 300,000 in the course of the fiscal year. In the week we were in Laos, there were 236,448 receiving full or partial support but the total had been as high as 302,800. The Mission believes that if the war produces many more refugees, the presently planned aid level of $47.3 will not be enough.

In addition to the 34% of the program devoted to stabilization and the 38% devoted to security-related programs, 12% will be devoted to municipal government services (roads, irrigation and wells); 10% to social infrastructure (child health, education and rural self help); and 6% to economic development (industry, public administration and agricultural extension and research). The Mission acknowledges that, with 50% of the Lao national budget going to military salaries on a deficit basis, without foreign aid the Lao Government would be unable to support its refugee population or continue government services in rural areas or maintain many, or even any, of its basic functions. In fact, U.S. spending in Laos in 1971, in all military and economic assistance including that provided through CIA, was about ten times the Lao national budget.

For FY 1973, the Mission has proposed an AID program of [de-

leted] million. Included are [deleted] million in stabilization assistance and [deleted] million for the refugee program.*

In the last few years, the Mission has predicated its program justification on the possibility that during the late 1971–early 1972 period there could be a *de facto* standdown in the war, resulting from a resumption of talks between Souvanna Phouma and Souphanouvong, and that this standdown could lead in turn to a formal settlement by mid-1973 or early 1974. This possibility has, obviously, never come to pass. Yet the amounts and content of aid programs do not change. And if there were a formal settlement, these Mission projections seem to be saying, then the United States could emphasize development assistance and devote the resources no longer needed for refugees and stabilization to roads, agriculture, power, industry, forestry, education, public health and the like. The possibilities are literally endless.

G. THE U.S. PRESENCE

At the time of our visit, we were told that there were 1,259 U.S. personnel in Laos (of whom 669 were direct hire and 590 were contract employees) and 1,245 dependents. In his speech on March 6, 1970, the President said that there were 1,040 U.S. personnel in Laos (616 direct hire and 424 contract). When we visited Laos in April 1971, we were told that there were between 1,143 and 1,231 U.S. personnel in Laos (663 direct hire and between 480 and 568 contract).

The largest number of contract personnel are those working for Air America. In November, 1969, there were 207 American personnel working for Air America in Laos. Last April we were told in Vientiane that the figure was between 276 and 415. On this visit, we were told that there were in Laos 423 Air America personnel and 91 from Continental Air who are U.S. citizens.

IV. Cambodia

A. GOVERNMENT AND ENEMY MILITARY STRENGTH

The Cambodian armed forces, known as the FANK, are now believed by some American officials to number not more than 175,000 (75,000 of whom are territorial forces who stay in one military region and 65,000 of whom are part of a general reserve which can be employed all over the country), about 5,000 in the Air Force and about 5,000** in the Navy. The Cambodian high command says that the FANK numbers 230,000, but that figure is considered to be grossly inflated by the inclusion of "phantom soldiers" (at least 10%), wounded and absentees. (The FANK has a census committee which examines various units. A recent report by the Committee, issued on January 19, states that "two officers, unit commanders, caught in the act of fraud have been indicted before the Military Tribunal.") The eventual "force goal" for Cambodia is 220,000—[deleted] in the Army, [deleted] in the Air Force and [deleted] in the Navy—mean-

*The Executive Branch subsequently proposed an economic assistance program of $49.8 million for Laos for FY 1973 including $18.8 million in stabilization assistance and $10.6 million for refugee operations. The remainder is to be used for project funds in agriculture, highways, educational development and public safety.

**The precise numbers are considered to be classified.

ing that this is the size of the force the United States thinks the Cambodian economy can sustain and that the United States has agreed to support. Some high Cambodian Government officials have said that there should be a larger force and that they will support it themselves without outside assistance.

South Vietnamese Army strength in Cambodia at the time of our visit was estimated at 3,000 to 4,000. At times, the South Vietnamese have had as many as 15,000 troops in Cambodia.

Enemy forces in Cambodia in January consisted of 60,000 to 75,000 North Vietnamese and Viet Cong and 18,000 to 20,000 Khmer communists. About 45% of the North Vietnamese/Viet Cong are estimated to be combat forces (and of these 15 to 20% are estimated to be Viet Cong.) The other half are rear service troops (about half of whom are Viet Cong.) A new North Vietnamese division has arrived in Cambodia in the past year so that there are now about six divisions in the country. It is estimated that two and a half of these divisions are targeted against Cambodia, while the remainder can be targeted against either Cambodia or South Vietnam.

The Khmer communists are composed of various groups. Some are pro-North Vietnamese, others are not. Some are pro-Sihanoukist, others are not (they are considered to be non-Sihanoukist rather than anti-Sihanoukist.) The dissident Khmer military force as a whole, however, is considered to be anti-Sihanoukist and under close North Vietnamese direction. In the areas in which these Khmer groups are strong, communist civilian and military organizations are beginning to appear and that infrastructure may be as high as 35,000 to 50,000. It, too, is considered to be generally non-Sihanoukist.

In 1971, it is estimated that 4,146 members of the FANK and 5,866 enemy have been killed (but that only 140 Cambodian civilians have been killed in combat accidentally). This estimate of enemy killed does not include those killed by air. FANK estimates of enemy killed, which are always far higher than U.S. estimates, are considered to be greatly exaggerated. FANK sources estimated that between March 18, 1970, and January 23, 1972, the enemy had lost 71,295 killed and 30,588 wounded while FANK had lost 9,062 killed, 15,517 wounded and 9,067 missing. A high FANK official told us that the statistics for the period in question were: between 96,247 (confirmed) and 144,914 (estimated) enemy killed, 9,357 FANK killed, 22,562 FANK wounded and 1,752 FANK missing.

FANK headquarters says that their forces captured 997 Khmer communist prisoners in 1970 and 1,626 in 1971. The U.S. Mission does not know the number of North Vietnamese and Viet Cong prisoners held by the Cambodians but has the general impression that there are about 25. [Deleted.]

B. MILITARY ASSISTANCE

The Military Assistance Program in Cambodia was run by the Political-Military Section in the Embassy during 1970. On January 31, 1971, a Military Equipment Delivery Team Cambodia (MEDTC) was formed to administer the program. The Chief of the MEDTC and his staff were located in Saigon, but 16 and later an additional 7 MEDTC officers were stationed in Phnom Penh. In July 1971, the

MEDTC Chief, a Brigadier General, moved to Phnom Penh, and the MEDTC element in Cambodia was raised to its present strength. In Phnom Penh, there are now 43 MEDTC personnel (50 are authorized and up to 12 more have been approved by the Executive Branch). There are 63 other MEDTC personnel at MACV in Saigon. Of the 12 new personnel, 4 will be used to monitor third-country national contracts (50 additional third-country nationals will be hired to train Cambodians in logistics), 4 to monitor training, 3 to be assigned to help advise on port operations at Kompong Som and 1 will be a fiscal specialist who will monitor the military uses portion of the Public Law 480 agreements (these agreements are discussed below).

Although American military personnel in the MEDTC seem to be acutely aware of the prohibition against their acting as advisors or participants in the planning and execution of tactical operations, they are nevertheless deeply involved as advisors or organizers in activities such as force planning, military budgeting, logistics and training. As noted above, 11 of the 12 new MEDTC personnel will be involved in logistics and training activities.

Last year, as the FY 1972 Military Assistance Program was being developed, there were extensive discussions within the U.S. Government and between the United States and Cambodia regarding the size of the armed force to be supported by the United States. The Cambodians maintained that they then had [deleted] men under arms and therefore wanted the United States to agree to support that number in FY 1972 and to agree to build toward an ultimate goal of [deleted] men. The Embassy at the time estimated the FANK at about [deleted] and took the position that there were not [deleted] under arms and that [deleted] was a more realistic goal. It was finally agreed, in an exchange of letters between [deleted] that we would support a force of 220,000 well trained and well equipped troops.

Since that time, there has been considerable disagreement between the State Department and the Embassy, on the one hand, and the MEDTC, CINCPAC and the JCS, on the other, regarding the nature of this undertaking. CINCPAC and the JCS have tended to regard 220,000 as a figure to be reached in FY 1972, while the Embassy and the State Department consider 220,000 as a goal to be reached over time subject to the availability of funds, training schedules and FANK's ability to use American support effectively.

Meanwhile, the MEDTC was told by the Department of Defense that it should be guided in its planning by a program figure of $200 million in this Fiscal Year (in the absence of appropriating legislation, the MEDTC had been told at the time of our visit that it could obligate up to a level of $115 million as the result of a Presidential Determination based on the continuing resolution). The MEDTC had already developed a program for this Fiscal Year, the cost of which turned out to be $252.6 million, and $52.6 million was thus put in "shortfall" to be funded out of the FY 1973 Military Assistance Program or discarded if necessary. With a $200 million program, the Military Assistance Program would have been supporting a FANK force of about [deleted] men in FY 1972 (the actual amount made available after the appropriation was passed was somewhat lower). Present plans are to recommend a Military Assistance Program in

FY 1973 of [deleted] million* for a force level of not to exceed 220,000.

The program is aimed at providing the FANK with the most basic equipment. The cost of equipping each company is estimated at $15,000 (the cost for a South Vietnamese Army company is $55,000).

As of December 31, Military Assistance Program deliveries had totalled $172.5 million—$7.5 million from FY 1970 funds, $134.5 million from FY 1971 funds ($44.2 million more has been ordered but is still in the pipeline) and $30.5 million from FY 1972 funds. In addition, $14.2 million in long supply and excess materiel had been delivered in FY 1971 (in aircraft, weapons and ammunition) and $1.5 million in FY 1972. (In FY 1972 there is a projection of $11 million worth of excess at one-third of acquisition value because of the legislative ceiling of $341 million on expenditures in Cambodia; there was no ceiling on excess last fiscal year.) Packing, crating, handling and transportation costs are charged only from Vietnam and not from the continental United States except in the case of direct shipments.

Based on the assumption of an FY 1972 program of $200 million, the MEDTC made the following allocations (in no case are the amounts for each category the same as those in the Congressional Presentation Book):

Ammunition	(or 45% of the total)
Aircraft	[deleted]
Patrol Craft	
Weapons	
Trucks	
Communications Equipment	
Clothing	
Aircraft spares	
Training	
Supply Operations	
Other Articles	
	$200.

Since the beginning of the Military Assistance Program to Cambodia, 12 planes and 4 helicopters provided by the United States have been lost—5 T–28's, 4 C–47's, 2 O–1's, 1 T–41, 1 UH 1 and 3 U–1A's. Three were destroyed in the January 22, 1971, sapper attack on the Phnom Penh airport; five others were destroyed in rocket attacks on the airport (three on November 10); two were shot down by enemy fire; and the rest were lost in crashes.

Other than aircraft, MAP equipment losses, except for those incurred in Chenla II, have included:

92	trucks
1	landing craft
4845	carbines
79	60 mm mortars
36	81 mm mortars
6	105 howitzers

The present MEDTC Chief, who is about to complete his tour and will be replaced by another Brigadier General, is convinced that even

*In early April, the Executive Branch proposed $225 million in military assistance for Cambodia for FY 1973: $209.5 million in grant aid and $15.5 million in excess defense articles. Of the $209.5 million in grant aid, $100 million is for ammunition compared to an estimated cost for ammunition in FY 1972 of $85.7 million.

with 62 personnel in Cambodia he will not be able to carry out his assigned responsibilities. He cites the Congressional end use check requirements specified in the Military Assistance Manual, as amplified by CINCPAC directives, and the conclusions of a recent MACV study team which he said indicated that 35 people would be required to monitor Public Law 480 military uses, a job that will now have to be performed by one of the 12 new personnel to be assigned. He was, however, not able to give a figure when asked how many people he felt he would need in order to do what he thought should be done. On the other hand, there are Americans who know the program well who believe that the MEDTC element in Cambodia is, if anything, already too large. At the time of our visit, a CINCPAC personnel team was about to visit Saigon and Phnom Penh to examine the question, but some officials believed that CINCPAC had already concluded that there should be an increase and that the personnel team was therefore unlikely to conclude to the contrary.

C. ECONOMIC-ASSISTANCE

The economic assistance program for Cambodia in FY 1971 was $70 million, and the Executive Branch proposal to the Congress for FY 1972 was $110 million. In presenting the FY 1972 proposal to Congress. the Executive Branch stated that it had two purposes in mind: to finance a flow of imports at approximately pre-war levels to help offset losses in Cambodian production and export earnings caused by the war and thus prevent a serious deterioration in living standards; and to complement U.S. support of Cambodian military efforts, using local currency generated by AID financed imports.

In March 1971 the U.S. agreed to give the Cambodian Government a reimbursable cash grant of $20 million from FY 1971 funds for the purpose of financing imports. At first, utilization of this grant was slow because of Cambodian inexperience in dealing with the United States, the technical complexities of procurement and a policy of watchful waiting on the part of importers who already had large inventories on hand. Eventually, however, between June and September 1971 almost the entire $20 million initial grant was committed. These commodities, primarily petroleum, have now begun to move into the country.

The agreement to establish a Commodity Import Program utilizing the remaining $50 million from the FY 1971 program was signed on May 1, 1971. All of this money was originally tied to U.S. procurement, and the General Services Administration was designated to handle all the procurement in the United States with SONEXIM the sole agency in Cambodia designated to process applications from importers. The General Services Administration was inserted into the process, first of all, because it was assumed that Cambodians had not had much contact with the U.S. market and thus did not know U.S. suppliers and, secondly, in order to cut down corruption. As a result, however, orders lagged because Cambodian importers had no direct contact with suppliers, had until recently been unable to specify brand names and were confronted with complicated bureaucratic procedures and long lead times (9–12 months) to which they had not been accustomed.

Importers have also proceeded slowly in placing orders under the Commodity Import Program because they were waiting to see whether the exchange rate would be lowered. As it turned out, exchange rates did fluctuate. The rate had initially been 55 to 1. In March 1971, it was set at 83. It then went to 140 in October 1971 and was subsequently dropped to 120. Because importers insisted this rate was too high, on January 18 a preferential rate of 90 was established for imports from the United States under the Commodity Import Program. The 120 rate still applies to all other transactions.

Mission officials also tend to attribute some of the blame for the program's slow start to delays in Congressional authorization of the FY 1971 aid program. In this connection, however, the following sequence of events is worth noting: (1) the legislation authorizing the FY 1971 aid program was passed by the Congress on January 4, 1971; (2) the initial $50 million commercial import agreement was not signed by the U.S. and Cambodian Governments until May 1971; and (3) procedures for implementing the Commodity Import Program were not established until September 1971. To date, no commodities financed under the May 1971 agreement have arrived in Phnom Penh and, in fact, only $17.6 million of orders have been placed.

Because the use of FY 1971 supporting assistance was so slow, the U.S. Mission in Phnom Penh recommended considering shifting $20 million from the Program to the Military Assistance Program. Washington did not concur, among other reasons because of a feeling that such a transfer would have a detrimental effect on FY 1972 appropriation requests to Congress. There was, however, a shift of $3.4 million worth of bridging material and $1.7 million of highway maintenance equipment from the Military Assistance Program to the Commercial Import Program. Some thought was given to shifting some POL from the Military Assistance Program to the Commercial Import Program but the decision was made that this shift could not be made because POL was fungible and it would therefore be illegal for AID to fund any part of the Cambodian Army's POL requirements.

It was decided at the end of October 1971, however, to free half of the $50 million from the requirement of U.S. procurement and to permit procurement in the so-called Code 941 countries which are free world less developed countries. As of mid-January, the Cambodian Government had authorized import licenses of $1.2 million out of this $25 million and of $15.4 million out of the $25 million tied to U.S. procurement, the latter consisting principally of purchases by the Cambodian Government.

As a further spur to imports, at the suggestion of the IMF an Exchange Stabilization Fund (ESF) will begin operations on March 1, 1972, with an initial capitalization of $35 million. The Cambodian Government is contributing $15 million, the United States will eventually contribute $12.5 million (out of FY 1973 aid funds) and the Japanese Government $5 million. Of the remaining $2.5 million, Australia has pledged $1 million. Thailand $250,000, New Zealand $119,000 and Malaysia $100,000. Indonesia, the Philippines, Korea, Italy, the U.K. and Singapore have refused to contribute at all, and the contributions of Japan, Australia and New Zealand were lower than the amounts these nations were requested to contribute.

The U.S. contribution to the ESF, as indicated above, will not be made until the FY 1973 aid program has been authorized by Congress. Originally the money was to have been taken out of FY 1972 funds, but it was decided not to do so because, despite the fact that the ESF had been included in the Embassy's plans since early 1971, the fund had not been included and justified in the FY 1972 program and the Executive Branch was thus concerned that there might be adverse Congressional reaction if FY 1972 funds were contributed.

In addition to the regular economic assistance program, two PL 480 agreements have been signed: one for $8.5 million on March 2, 1971, and one for $14.1 million on January 13 of this year. The agreements provide that 80% of the counterpart generated will go to pay Cambodian military salaries [a use which PL 480, Section 104(c) requires] and 20% for United States uses. The military-uses aspects of the counterpart program is administered by the MEDTC. The commodities to be furnished under the second of these PL 480 agreements are 18,400 bales of cotton, 4.4 million pounds of cotton yarn, 1500 metric tons of tobacco, 3,000 metric tons of vegetable oil and 24,000 metric tons of wheat flour.

The $110 million in economic assistance requested for FY 1972 was to be divided into several components: a cash grant of $20 million in connection with the economic reforms announced on October 29 (which has already been committed); a further $12.5 million cash grant to the Economic Stabilization Fund (which has been delayed); and the remaining $77.5 million to be divided between the Commodity Import Program (which some say was far too large to begin with and is now even larger by $12.5 million because of the delay in contributing to the ESF) and public sector imports. Present thinking in Phnom Penh is that for FY 1973 a supporting assistance program of about [deleted] million will be proposed.* There are some knowledgeable observers who believe that the total FY 1972 and FY 1973 programs could be reduced by at least $50 million.

In 1969, 1970 and 1971 economic assistance to Cambodia from other countries amounted to $49.8 million, although $22.5 million of this amount was a loan from France negotiated in January 1970 and not yet implemented and $12 million was an East German loan negotiated in September 1969 but now in abeyance. Of the remaining $15.3 million, Belgium has loaned $7 million, Japan has provided a grant of $4 million, Denmark has loaned $4 million and the U.K. has provided a grant of $300,000. Not included in these totals are pledges to the Exchange Stabilization Fund (discussed above) and to the Prek Thnot Dam (for which loans and grants totalled $19.2 million) or a $1.5 million grant from the United Nations Development Board and a $300,000 grant from UNICEF.

D. THE U.S. PRESENCE

As of January 27 this year, there were 160 Americans in the U.S. mission, well below the ceiling of 200 set in the Foreign Assistance Act. Of the 160, there were 52 civilians and 79 military personnel permanently assigned; 20 people on temporary duty; and 9 American

*The Executive Branch subsequently proposed a supporting assistance program of $75 million and $12.3 million in P.L. 480 for Cambodia in FY 1973.

contract personnel. There were also 31 American dependents. In addition, the Mission employs 35 Third-Country Nationals but is planning to hire 50 more for the MEDTC which will bring the total to the ceiling of 85 set by legislation. The 79 military personnel include 43 in the Military Equipment Delivery Team (50 are presently authorized and 12 more spaces have been approved by the Executive Branch) and 21 in the Defense Attache's office. CIA personnel are not separately identified.

V. Training Arrangements

A. LAO TRAINING

There are four categories of Lao being trained in Thailand: Regular Lao Army (FAR/FAN); Lao irregulars; Royal Lao Air Force (RLAF) pilots, forward air guides, instructors and maintenance personnel; and helicopter pilots and mechanics.

All of the costs for the FAR/FAN training program in Thailand come out of the Defense Department military assistance program for Laos. Between FY 1966 and FY 1971, about 15,000 FAR/FAN personnel have been trained. In FY 1972, about 4500 more will be trained. The training takes place at Thai Army schools with Thai doing the training.

U.S. Special Forces personnel do some of the actual teaching of the Lao irregulars in Thailand. In FY 1970, 2,077 Lao irregulars were trained, in FY 1971 2,738 were trained and in FY 1972 2,414 have been trained. These training costs are funded by CIA, but the salaries of the Special Forces personnel come out of the regular United States Army budget.

The RLAF training is done at the Udorn Base by a U.S. Air Force unit—Detachment 1 of the 56th Special Operations Wing. The costs come out of the Laos Defense Department military assistance program. Since 1964, this unit has trained [deleted] RLAF T–28 pilots. In FY 1972, this detachment will train [deleted] RLAF pilots and [deleted] forward air guides. Incidentally, we were told that in the last class of [deleted] T–28 trainees, only two had ever driven an automobile.

Lao Air Force AC–47 gunship pilots have been trained not by this unit but by a U.S. Air Force mobile training team. That team left in December 1971, and the Lao will now conduct their own AC–47 training in Laos, although the program will be "monitored" by Air Attache and Requirements Office personnel in Laos.

Helicopter training is conducted by a U.S. Army trainer team at Udorn. Since 1966, [deleted] helicopter pilots, [deleted] mechanics and [deleted] instructors have been trained. The costs are again out of the Defense Department military assistance Program for Laos.

B. THAI IRREGULAR TRAINING

The Thai irregulars are trained at a number of training sites in Thailand built or rebuilt with Defense Department military assistance program funds and operated by the CIA. A detachment of 60 U.S. Special Forces personnel, sent on temporary assignment from Okinawa, supervises the training that is done by the Thai. In addition, they themselves do considerable training including platform lectures.

We visited one of these training camps in Thailand which was built around a runway constructed in 1965 as a recovery base for B–52's at a reported cost of $15 million but never used. We were told there that the Thai do 40% of the training and U.S. Special Forces 60%. We saw a Special Forces officer lecturing on the use of the 81 mm mortar. His lecture was being translated into Thai as he gave it. The training costs come out of the Defense Department military assistance program. In FY 1971, [deleted] Thai irregulars were trained and in FY 1972 [deleted] have been trained.

C. CAMBODIAN TRAINING

Cambodians are also being trained under a variety of arrangements in South Vietnam, the United States, Okinawa and Thailand. In FY 1971, there were 38,679 Cambodian Army personnel trained in South Vietnam. The United States has provided the equipment, training ammunition and uniforms. The South Vietnamese provide training sites and rations for which they are re-imbursed (after some haggling over exchange rates) by the Cambodian Government. In FY 1972, as of January 31, another 11,536 Cambodian Army, Air Force and Navy personnel had been trained in South Vietnam and there are 8,491 Cambodian Army, Air Force and Navy personnel in training there now.

In Thailand, 24 Cambodian Army infantry companies—between 2,664 and 2,952 officers and men, depending on whether the figures of the Mission in Thailand or the Mission in Cambodia are taken—have been trained in FY 1971 and 1972. In the remainder of this calendar year, another 2,220 will be trained. Costs for equipment, weapons, training and ammunition are paid by the United States out of the Cambodian Military Assistance Program. The Thai Government provides instructors, facilities and in-country transportation, and the Cambodian Government pays base pay and subsistence. [Deleted] and [deleted] were also trained in Thailand, and [deleted] more were in training at the time of our visit, but we were told that no cost to the United States was involved.

In FY 1972, a new program of training Cambodian Special Forces in unconventional warfare in Thailand was begun. In the Special Forces program an exception is made to the guideline, established by the Embassy in Bangkok, which sets a general policy of no face-to-face training of Cambodians by U.S. personnel. There, U.S. Special Forces personnel of the 46th Special Forces Company sometimes teach the Cambodians themselves rather than being limited to teaching the teachers. To date, [deleted] Cambodian Special Forces personnel have been trained, [deleted] were still in training in January and [deleted] are scheduled to begin training in February.

The Cambodian Special Forces training program is treated in Thailand with greater secrecy than any other training effort. Yet in Cambodia, the Special Forces program is talked about openly. We were told that the day we left Phnom Penh had been designated "Special Forces Day" and that there was to be a public airport ceremony welcoming back some of the Special Forces trainees from Thailand to be followed by a demonstration by them of what they had learned.

Also in FY 1972, 37 Cambodian Army, Navy and Air Force personnel were trained in the United States under the Military Assistance Program and [deleted] Cambodian combat and staff intelligence officers were trained at the U.S. Army Intelligence School on Okinawa. During this fiscal year, [deleted] more will be trained on Okinawa.

VI. The Air War

The air war in Laos, Cambodia, South Vietnam and North Vietnam was somewhat reduced in 1971 compared to 1970. Last fiscal year a ceiling of 14,000 U.S. tactical air sorties was authorized per month in the Indochina theater. That ceiling has been reduced in this fiscal year to 10,000 a month (including Navy strikes which means the Air Force portion is about 7,000 a month). The ceiling is obviously not sacrosanct, however, and can be lifted by the Executive Branch at any time.

We obtained comparative statistics from 7th Air Force (through the Air Operations Center in the Embassy in Bangkok), CINCPAC and the Department of Defense and, although the trends agreed in each case, the totals involved were always different. The figures obtained in Bangkok from Seventh Air Force showed the following comparisons:

U.S. Air Force and Navy Tactical Air Sorties—7th Air Force*

	1970	1971
Northern Laos	[deleted]	[deleted]
Central & Southern Laos	[deleted]	[deleted]
(All of Laos)	(111, 872)	(90, 059)
Cambodia	9, 226	16, 437
North Vietnam	1, 985	4, 492**
Total	123, 083	110, 988

*Defined in this summary as sorties by fixed-wing tactical planes carrying ordnance (so that B–52, gunship and reconnaissance sorities are not included).

**The Defense Department stated: "The sorties in North Vietnam were protective reaction sorties only."

CINCPAC provided different figures for Laos and Cambodia, breaking down all U.S. sorties, both Air Force and Navy, by category: attack, (COMSAT air patrol), reconnaissance and other sorties.

*U.S. Air Support Provided Cambodia and Laos—CINCPAC****

	1970		1971	
	Attack, CAP Recon and other	*Attack only*	*Attack, CAP Recon and other*	*Attack only*
Laos	182, 303	106, 872	186, 564	95, 495
Cambodia	28, 525	15, 315	78, 959	17, 963
Total, Laos and Cambodia	210, 828	122, 187	265, 523	113, 458

*** Does not include B–52 sorties.

B 52 sortie levels for Indochina, according to Defense Department figures, were:

1967— 9,686
1968—20,568
1969—19,498
1970—15,103
1971—12,555

According to CINCPAC, of the 12,555 B–52 sorties flown in Indochina in 1971, there were 8,823 in Laos, 2,410 in South Vietnam and

1,322 in Cambodia. Thus, for the year overall 70% of the B–52 strikes were flown in Laos, 19% in South Vietnam and 11% in Cambodia. (In January 1972, the percentage flown in Laos was [deleted] and the percentage flown in South Vietnam was [deleted]. During last year, B–52 sortie rates fluctuated from 32 to 377 a month in South Vietnam, from 19 to 247 a month in Cambodia and from 517 to 1,096 a month in Laos.

The Vietnamese, Lao and Cambodian Air Forces are, of course, also flying combat missions in Indochina. According to the figures given us by CINCPAC, the division of strike sorties by country in the month of January among these air forces was as follows:

	Vietnam	*Laos*	*Cambodia*
U.S. Air Force and Navy	[deleted]	[deleted]	[deleted]
South Vietnamese Air Force	[deleted]	[deleted]	[deleted]
Royal Lao Air Force		[deleted]	
Cambodian Air Force			[deleted]

These figures do not take into account [deleted]. The Thai Air Force is no longer involved in [deleted].

At the time of our visit [deleted] were about to begin flying helicopter gunships in Northern Laos to support medical evacuation missions. We were told that at that time these helicopters were on loan from U.S. Army units in Vietnam to the Army Attache's office in Vientiane and that they would be under the command and control of an Assistant U.S. Army Attache who would be in the air when they were in use. The Assistant Attache in charge of the program assured us that the gunships will be used only for support of medevac missions for the Thai irregulars in Laos and the Lao irregular and regular forces.* These will be the first helicopter gunships to be used in Laos.

Other American military helicopters have long been used in Laos for search and rescue missions, for the movement of heavy equipment in and out of remote locations and for the airlift of irregular units. We were told that airlift operations occur quite frequently, but that [deleted]. The guidelines for the use of these troop carrying helicopters permit only unopposed landings, and we were told that no U.S. military helicopters have ever been lost in Laos.

Reported "truck kills," that is the destruction of North Vietnamese trucks on the Ho Chi Minh Trail in Laos, have continued to be high. We were given the following figures for sample months:

January 1969—1,061
February 1969—1,355
January 1970—2,413
December 1970—1,393
January 1971—3,510
March 1971—5,419
April 1971—5,719
May 1971—2,359
December 1971—2,040
January 1972—2,200

*On March 16, the *Washington Post* carried a story from Vientiane reporting that Thai pilots were flying both medical evacuation and combat support missions in Laos using helicopters on loan from the United States, that the helicopters were flying from Udorn and that they were said to be controlled through a U.S. Air Force plane circling the area. The report added that U.S. Mission spokesmen had said that the helicopters were flying only medical evacuation missions, and it quoted a State Department source as saying that the Thai pilots were not under U.S. command. (See "U.S. Seen Violating Ban in Laos" by D. E. Ronk, March 16, 1972)

The drop in the number of kills between April and May is significant, for in May truck kill "criteria" were changed. Before then, the criteria provided that a truck was considered automatically destroyed or damaged if ordnance was dropped within a certain range. Suspecting that the statistical results of these criteria were not accurate because of a discrepancy between the number of trucks reported destroyed and the number thought to be available to the North Vietnamese, the Air Force began testing with live ordnance on excess trucks. As a result of these tests, the criteria were changed, and since May it has been necessary to observe a secondary explosion or fire on a truck before the truck could be claimed as destroyed. The truck kill figures since May have thus been greatly reduced.

One other set of statistics struck us as interesting and that was the distribution of the origin of U.S. tactical air strikes in North Vietnam, Cambodia and Laos in 1971. Figures obtained in Bangkok from Seventh Air Force showed the following:

Origin	*Laos Percent*	*Cambodia Percent*	*North Vietnam Percent*
USAF from Thailand	[deleted]	[deleted]	[deleted]
USAF from South Vietnam	[deleted]	[deleted]	[deleted]
USN Carriers	[deleted]	[deleted]	[deleted]

From all of the above statistics, it can be seen that:

1. The number of U.S. tactical air sorties (by fixed wing tactical aircraft carrying ordnance) in Laos, Cambodia and North Vietnam combined was down about 10% in 1971 compared to 1970. By country, these sorties were down about 20% in Laos, but up about 80% in Cambodia and about 130% in North Vietnam. The total of all sorties—not just attack sorties—was up about 2.5% in Laos and over 250% in Cambodia in 1971 compared to 1970.

2. B–52 sorties in Indochina were down about 20% in 1971 compared to 1970 but above the level of sorties in 1967.

3. The South Vietnamese Air Force was in 1971 flying about 95% of the strike sorties in South Vietnam and U.S. aircraft about 5%; in Laos the United States was flying 66% of the strike sorties, the Royal Lao Air Force 33% and the South Vietnamese 1%; and in Cambodia the United States was flying 41% of the strike sorties, the Cambodian Air Force 30% and the South Vietnamese 28%.

4. With the drawdown of planes from Vietnam, Thailand has become increasingly important as the place of origin for almost [deleted] the tactical air strikes in Laos and almost [deleted] of the strikes in North Vietnam. Almost all the U.S. strikes in Cambodia originate in South Vietnam.

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In our report on Laos last April, we described the complicated system of validation for strikes in that country. The Embassy in Vientiane seeks to maintain tight control over U.S. air operations in Laos, validating or refusing to validate individual strike requests except the B–52's going into Special Arc Light Operating Areas (called SALOAs) or the tactical air strikes going into their pre-validated Special Operating Areas (called SOAs). That system continues in Laos, and indeed we were told that now about 25% of the requests for

strike validations are turned down compared to about 15% last April.

At the time of our visit to Vientiane, the extent of the area included within SALOAs, SOAs and another category of special areas called PARVALAs showed a net increase over the size of corresponding areas in April 1971. Now, however, there is a new category of areas, located in southern Laos, called [deleted] which are prevalidated for B–52 strikes. These zones, like SALOAs and PARVALAs, are in effect "free fire zones," differing only in that they are normally validated for 15 to 30 days rather than for six months.

The [deleted] cover what are believed to be [deleted]. In these zones, B–52's [deleted]. At the time of our visit, several requests for the designation of [deleted] were being held in abeyance while the Embassy determined whether friendly civilians were in the areas concerned. We were told that the [deleted] operations are a high priority project [deleted].

At the daily operations meeting of the American Mission in Vientiane, chaired by the Ambassador, a report is placed before each participant with the number of U.S. air sorties flown and the results of these strikes in terms of enemy killed; trucks, bunkers and weapons destroyed and damaged; and fires and explosions. The B–52 sorties are then described orally. In Cambodia, on the other hand, the Embassy is not involved in air operations at all. Indeed, they are not even aware of their extent. For example, the general impression in the Embassy was that there had been only a half a dozen or so B–52 strikes in Cambodia during the past six months. In fact, there were almost 1,000 in the last six months of 1971 and [deleted] in January 1972 alone. The area of Cambodia in which most B–52 strikes occur is known to U.S. officials as "Freedom Deal" and covers the eastern third of the country.

VII. FUTURE PROSPECTS

Both Laos and Cambodia are victims of the Vietnam war in several senses. They are victims of the North Vietnamese, of course, because North Vietnam uses their territory to move supplies and men, as a base of operations and to promote local communist movements. But they are also victims of the continuing American defense of South Vietnam. For the Americans, South Vietnamese and Thai all use Laos and Cambodia for their own purposes, regarding them as the preferred battle ground on which to engage the North Vietnamese.

Indeed, the continued viability, acquiesence and cooperation of the Lao and Cambodian governments as presently constituted appear to be essential to the strategy which the United States has chosen to pursue in Indochina. A collapse or a partial settlement in either country would, therefore, not be in the U.S. interest, as that interest is presently perceived by the United States Government. Thus, although the United States disavows any formal commitment to the defense of Laos and Cambodia, our present strategy requires that these two countries be supported and kept in the war. Without our military and economic assistance, and the leverage which it affords, there would be no way of preventing settlements from being imposed or compromises from being struck.

Fate has thus forced a cruel bargain on Laos and Cambodia. On the one hand, American assistance sustains them for without it they would literally be at the mercy of the North Vietnamese, forced to accept a solution or *de facto* situation which would grant the North Vietnamese unrestricted access to their territory and a strong if not decisive voice in their affairs. On the other hand, their reliance on continued American assistance prevents them from agreeing to the kind of compromise that would offer them an alternative to continued fighting but would, in return, require them to permit the unopposed use of their territory by the North Vietnamese.

What will happen when there are so few U.S. ground forces in Vietnam that the argument that the bombing in Laos and Cambodia is necessary in order to protect them becomes no longer tenable? Will the United States then continue bombing either on the ground that it is necessary to preserve the South Vietnamese Government or on the ground that the bombing has become necessary to save Laos and Cambodia? Or will we stop the bombing, leaving the Lao and Cambodians free to make their own arrangements or to continue to resist with American economic and military assistance but without air support?

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These questions concern not only Laos, Cambodia and the United States but Thailand as well. It is Thailand which now provides the essential manpower for continuing the ground war in Laos, and it is from Thai bases that the air war in Laos is now conducted and that the air war in Cambodia will be increasingly conducted as U.S. forces leave Vietnam.

When the Thai agreed to allow U.S. planes to operate from their country and to send Thai troops to Vietnam, they were said to have done so because they regarded the communist threat to South Vietnam as threatening Thailand as well. Thus, after it became known that these Thai actions had involved considerable costs to the United States, many Americans could not understand why it should have been necessary for the United States to pay the Thai for acting in their own interest. It would appear in retrospect, however, that many Thai felt at the time that they were taking an unnecessary risk by becoming directly involved in the war and that it was thus entirely appropriate for them to receive compensatory benefits from the United States.

In providing bases, Thailand was assured a certain level of U.S. assistance, as an understood but unstated part of the bargain. It was also assured what was tantamount to an automatic bilateral American guarantee, more effective than any conditional SEATO commitment, as a result of the presence of tens of thousands of Americans on its territory. But Thailand paid a price in the nature of its relationships with China and North Vietnam. That price may rise as Thailand assumes greater importance and South Vietnam less significance as a base for American operations. Thailand has also paid a price domestically, for the Thai are a proud and independent people who have never experienced a sizable and obtrusive foreign presence.

Thus Thailand, like Laos and Cambodia, is faced with a dilemma. The Thai see American troops withdrawing from Vietnam and the President visiting Peking, and they recognize that American public attitudes about containment and commitments are changing. At the same time, they know that the war is going badly in Laos, that their own insurgency is growing and that the Chinese road is coming closer.

If the United States has decided that it has something to gain from a reconciliation with mainland China, it would be logical to expect that the Thai would reach the same decision. And if they do, then the American use of Thailand as a base of operations may well become an issue which could reveal a fundamental divergence in U.S. and Thai interests.

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In the early days of the domino theory, it was said that if South Vietnam were to fall, Laos and Cambodia might follow and Thailand could be next. The converse of this theory now seems to be equally valid for if Laos and Cambodia fall South Vietnam may well follow.

Laos is closer to falling now than at any time in the past nine years. Cambodia has lost half of its territory and is insecure in the remainder. Both countries are preserved, in the final analysis, only by the restrictions that the North Vietnamese have imposed on themselves.

It seems clear that the North Vietnamese will be able to continue to use the territory of Laos and Cambodia to pursue the war in South Vietnam, no matter how successful Vietnamization proves to be, and to keep South Vietnam in a state of permanent siege. How long that situation will continue will depend not on the success of Vietnamization but on developments in Peking, Paris, Hanoi, Moscow and Washington.

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